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PART I



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The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

Title 39—Postal Service

CHAPTER I—UNITED STATES POSTAL SERVICE

MISCELLANEOUS AMENDMENTS TO CHAPTER

Regulations codified under Part 257, Philately, are amended in § 257.4 to add a new paragraph (f) to clarify postal policy with regard to multiple cancellations. In addition, a new § 257.8 is added to provide policy and guidelines governing Postal Service participation in domestic stamp shows and philatelic exhibitions.

Regulations codified under Part 258, Special Cancellations, are amended in § 258.1 to add a new paragraph (b) granting the authority to approve internal requests for special cancellation die hubs to the Assistant Regional Postmaster General, Mail Processing. Existing paragraph (b) and subsequent paragraphs are redesignated. Minor, clarifying amendments are made to redesignated paragraphs (c) and (e).

In addition, § 258.3 is amended by adding new paragraphs (a)(1) and (a)(2) to establish internal procedures for requisitioning special cancellation die hubs. Existing paragraphs (a)(1) and (a)(2) and those that follow are redesignated. Also, a technical amendment is made to paragraph (b) of § 258.3.

Regulations codified under Part 262, Opinions, Orders, Administrative Manuals, and Instructions to Staff are amended in § 262.7(d) to waive the fee for furnishing change of address information to postage meter manufacturers attempting to locate missing meters. Also, minor changes are made in § 262.7(e)(2) to reflect certain changes in the accounting for the fees collected.

Part 273, Settlements, is revoked. The matter contained in this part, which consists of internal settlement of claims procedures, has undergone extensive revision and will be published at a later time in other Postal Service publications. (39 U.S.C. 401, 404, 2008)

ROGER P. CRAIG,
Deputy General Counsel.

Accordingly, the following amendments are effective immediately:

PART 257—PHILATELY

1. Section 257.4 is amended to add new paragraph (f) as follows:

§ 257.4 Cancellations for philatelic purposes.

(f) *First-day covers and other items for philatelic events.* First-day covers or

other items for philatelic events bearing previously canceled stamps and postmarks are acceptable for multiple cancellations. Mint stamps to cover a first-class rate must be affixed for each cancellation, and the item must be submitted in person. For multiple cancellations, only handback service is authorized. Covers bearing such multiple cancellations may not be mailed.

2. A new § 257.8 is added as follows:

§ 257.8 Domestic stamp shows and philatelic exhibitions.

(a) *General.* (1) U.S. Postal Service participation in stamp shows and philatelic exhibitions gives exposure to stamps, which tell the story of our country's heritage and achievements. Substantial benefits accrue to the Postal Service through temporary exhibition stations or special show cancellations, which promote good relations with the philatelic community and generate needed revenue.

(2) Postal Service participation in any philatelic exhibition or show should generate net revenue on a cost accounting basis.

(3) All activities provided for in these procedures support and promote Postal Service participation in stamp shows. They also have the added effect of drawing additional attention and attendance to the show, leading to increased revenues for the Postal Service, the sponsors and participating tradesmen. Therefore, the payment of direct fees for space or other subsidiaries to the organizers may not be authorized. Where a fee is the only acceptable term of participation, the post office should not participate, but refer that request through the regional retail director to the Office of Stamps.

(4) Overall postal participation in any show is limited by economic considerations, with postmasters giving every show in which they participate the maximum support they believe the show justifies. Once a postmaster has agreed to participate in an exhibition he may not unilaterally withdraw from such a commitment.

(5) Post offices which require clarification of this policy or encounter special situations which require policy review, should contact the Philatelic Merchandizing Division, Office of Stamps, through their regional retail division for clarification and special approvals.

(b) *Requests for participation.* (1) Requests for Postal Service participation in such shows should be made through local postmasters for initial action, or referred by other Postal Service levels to the local postmaster. Only requests for first day of issue or other special sup-

port, which must come from the national level, should be directed to the Headquarters Office of Stamps.

(2) Postmasters and other local officials are encouraged to participate in opening ceremonies for stamp exhibitions or other stamp ceremonies arranged by philatelic groups whether or not a special station has been authorized.

(c) *Authorization.* (1) Temporary postal stations may be authorized by the postmaster with regional approval for purposes of promoting philately, providing services to stamp collectors and others, and generating additional revenue for the Postal Service. It is customary to authorize stations at many free philatelic exhibitions conducted on a non-profit basis by stamp clubs or associations. Measurable benefits must be expected to accrue to the Postal Service, however, for such participation to be authorized in exhibitions run by commercial interests.

(2) First-day ceremonies are conducted under the direction of Headquarters Office of Stamps, and all arrangements for such ceremonies require its approval.

(d) *Types of participation.* Postmaster participation at stamp shows may be in various degrees, but all activities must be justified primarily in terms of total net revenue generation:

(1) *Philatelic displays.* Post offices may offer to provide special philatelic panels for display at local stamp shows. To obtain these panels, the postmaster makes his request at least one month in advance of the show to the Headquarters Office of Stamps which will forward the special stamp displays directly to the postmaster. These displays are self-contained panels measuring 36" wide x 48" tall and featuring individual stamp issues. Specific topical displays may be requested such as space, history, transportation, or art. Since the panels contain security documents, postmasters will be responsible for their security until they are returned to the Office of Stamps. Immediately following the exhibition, the panels are to be returned by registered mail to the Philatelic Education Division, Office of Stamps, U.S. Postal Service, Washington, DC 20260. For very large national exhibitions, special displays of United States die proofs and a special Apollo XV Moon Letter display are available through the Office of Stamps. These items are shown domestically only a few times each year and are heavily committed to major international stamp exhibitions. Postmasters who feel the show in their city is of sufficient importance to merit these special exhibitions should make requests at least one year in advance to the Office of Stamps.

(2) *Temporary postal stations.* Postmasters may decide, based on prior experience or on prospectus for a new show, that it would be economically desirable for their office to establish a temporary postal station at the exhibition. This requires adequate stocking, security and facilities at the show site, all of which must be considered in the final cost accounting of the event. Postmasters must request authority from the regional retail director to establish such a station and ensure that no material is available at this special station that is not available to collectors everywhere. In establishing such a temporary exhibition station, the following procedures must be followed:

(i) The postmaster should secure a wide range of philatelic products and current postage using the Philatelic Sales Division stock list as a guide. No stamp which has been withdrawn from sale by the Philatelic Sales Division may be sold by any exhibition station. Withdrawals are noted in the Postal Bulletin. Postmasters should requisition philatelic stock not already available in their post office from the Regional Accountable Paper Depository on Form 17, *Stamp Requisition*, indicating the quantity required and the fact it is for a stamp show. At the conclusion of the show, excess philatelic stock, including remainders from commemorative sheets, should be sold over the regular windows for postage purposes.

(ii) Postmasters may elect to sell all stamps in full sheets only or to offer inscription strips of two rows as a special service:

(A) When full sheets only are offered, their contribution to postal station profits should be figured at 30 percent of face value sold.

(B) When inscription strips (two complete rows including plate numbers, ZIP, Mail Early and other marginal inscriptions) are offered, contribution to postal station profits is to be figured at 60 percent of face value sold. If inscription strips are offered, sales must be limited to two of each stamp strip per customer.

(iii) Postmasters should display and feature philatelic products which ensure net revenues to the Postal Service and encourage new collectors, such as the Mint Set, Stamp Panels, Stamps & Stories and Collecting Kits.

(iv) Sale of plate number blocks is strictly forbidden in values under \$1.00 face. Stamps with a face of \$1.00 or higher may be offered as plate blocks and these should be requisitioned in that condition from the Regional Accountable Paper Depository. Coil line pairs with a face value of \$1.00 or more should be offered in strips of six, with a line marking between the third and fourth stamp.

(v) An exhibition sales report must be submitted to the regional retail director with a copy to the Philatelic Merchandising Division, Office of Stamps, within one week of the close of every station.

(vi) No post office should participate with a station in any show where the organizers seek to limit the range or amount of items to be offered to the public.

(vii) Postmasters should ensure that the appearance of the temporary postal stations brings credit to the Postal Service, utilize approved signage and have space for satisfactory service. The hours that the stations are open should be posted conspicuously.

(viii) At those exhibitions where a large number of collectors is expected and many clerks man the stations, postmasters should consider utilizing a speedy line. Where a loud speaker is readily available at the station, it has been found effective to distribute service numbers to those in line and then to announce the numbers over the public address system so that customers will not have to wait to obtain their orders.

(ix) Cancellation service should be provided separately from stamp sales.

(e) *Announcement of temporary postal stations.* (1) Announcement of the plan to establish a temporary station (and to offer a show cancellation) must be posted in post office lobbies so that collectors will be advised of the availability of this service. Posters should not be placed on display more than 15 days before the event and the cost of production of the poster should be considered in analyzing show costs. The emphasis of all announcements must be placed on the temporary postal station. The announcements should mention the name of the stamp show, special cancellation (if any), the dates and hours open to the public, and the location. Promotional material for the show itself must not be incorporated.

(2) The postmaster may also announce through press releases the planned establishment of this station, but he must not distribute free flyers to homes, sell or distribute tickets, exchange ticket coupons, or authorize post office facilities for direct show promotion.

(f) *Philatelic cancellations.* (1) To assist sales and to support the exhibition, postmasters may request authority of the regional retail division to utilize special show cancellations at temporary postal stations. If a first day of issue has been established at an exhibition, the special show cancellation must be forwarded by the regional retail director to the Office of Stamps for approval.

(2) Issuance of authorization for a special cancellation includes the authority for the postmaster to hold mail for customers and to provide handback service under § 257.44. One of two types of philatelic cancellations as illustrated may be utilized—standard or pictorial:

(i) *Standard.* With month, day, year, and ZIP Code enclosed in a circle:



(ii) *Pictorial.* With month, day, year, and ZIP Code enclosed in circle:



CHANNEL ISLANDS
NATIONAL MONUMENT



(note absence of ZIP Code, it should be included)

(3) Philatelic cancellations shall be applied by rubber hand-stamps purchased by the region. If more than 100,000 pieces of mail are anticipated, the region may apply to the Office of Stamps at least 60 days in advance for purchase of a metal die for machine cancellation.

(4) Except for the exhibition or convention sponsor, hand-stamping will be limited as a free service to a maximum of 100 covers for any single individual or group. The sponsor may obtain any reasonable amount of hand-backs free of service charge for servicing its members. Individuals or groups requiring more than 100 hand-stamped cancellations may obtain this service only by paying a special fee. Application for this service must be made in advance to and authorized by the Office of Stamps.

(5) Philatelic cancellation hand-stamps, like other cancelling devices, may be used only under the supervision of authorized postal personnel and must be returned by the postmaster to the regional retail division following the exhibition or convention.

(6) Philatelic cancellations may be applied to envelopes submitted in person or by mail only which first-class or air-mail stamps are used. Mail requests from customers may be held by a postmaster to apply a philatelic cancellation on a specified date. All stamps affixed to an item must be canceled with black ink. Items entered into the mail must bear the required postage. Items handed back across the counter must carry at least the minimum first-class basic letter postage.

(7) Multiple philatelic cancellations, such as one for each day of an event, can be applied provided an additional first-class stamp is affixed and the cover is handed back. Multiple canceled covers cannot be entered into the mail system. Philatelic cancellations must carry the name of the exhibition or convention, followed by the word Station, the city, state, ZIP Code and the month, day and year. Only the standard philatelic cancellation (as shown) shall be provided, unless application for the pictorial cancellation is made at least 10 weeks prior to permit regional authorization and appropriate national publicity prior to the event.

(8) To obtain a pictorial cancellation, exhibition or convention sponsors must propose a design and submit finished artwork that is approved by the postmaster, the district manager and the regional retail division at least 10 weeks prior to the event. It must be in good taste and cannot carry a commercial message or endorsement. Overall dimensions cannot exceed four inches horizontally and two inches vertically, but artwork must be submitted twice the finished size. Upon authorization, the regional retail director must submit a reproducible copy of the pictorial cancellation to the Office of Stamps so that appropriate advance publicity to the national philatelic press can be arranged.

(9) Lists of all philatelic cancellations, as authorized, shall be submitted by the regional retail director to the Office of Stamps the first of each month for those authorized two months later. (January 1 for March authorization; February 1 for April.)

(g) *Special folders or philatelic favors.* Special folders or programs prepared by a show sponsoring committee may be canceled with the exhibition station cancellation and made available to them upon opening of the show. This is the same policy that applies to any material submitted for cancellation in connection with the show. The post office may not prepare any special presentation folders of its own without written approval from the Office of Stamps.

PART 258—SPECIAL CANCELLATIONS

3. In § 258.1 paragraphs (b), (c) and (d) are redesignated (c), (d) and (e), new paragraph (b) is added, and redesignated paragraphs (c) and (e) are amended as follows:

§ 258.1 Authorization.

(b) Postal installation heads must submit internal requests for special cancellation die hubs to the Assistant Regional Postmaster General, Mail Processing, for approval, in accordance with § 258.3. These are normally requests for special die hubs to convey postal service slogans or messages. Upon approval, these special die hubs may be used for as long a period of time as the postal slogan or message remains timely or for such length of time as the Assistant Regional Postmaster General, Mail Processing, deems necessary.

(c) Permission is granted for non-postal advertising purposes when the event is: *

(e) Do not use the non-postal special cancellation longer than 6 months, plus the duration of the event.

4. In § 258.3 paragraphs (a)(1), (a)(2), (a)(3) and (a)(4) are redesignated (a)(3), (a)(4), (a)(5) and (a)(6), new paragraphs (a)(1) and (a)(2) are added, and the first sentence of paragraph (b) is revised to read as follows:

§ 258.3 Requirements for obtaining special stamp cancellation die hubs.

(a) *Application.* (1) Postal installation heads requiring special cancellation die hubs as defined in § 258.1(b) must submit requests on Form 4636, Requisition for Postmarking Dies and Engraved Station Die Hubs, to Assistant Regional Postmaster General, Mail Processing. Form 4636 should be transmitted by letter explaining intended use and duration.

(2) Approved requests will be forwarded to the appropriate area supply center which supports the requiring installation. All requests for die hubs to be used on Mark II Facer Cancellers are to be sent to the Western Area Supply Center, Topeka, Kansas.

(b) *Referral by Postmaster.* Forward the application to the Office of Mail Classification, Rates and Classification Department, U.S. Postal Service, Washington, D.C. 20260. * * *

PART 262—OPINIONS, ORDERS, ADMINISTRATIVE MANUALS, AND INSTRUCTIONS TO STAFF

5. In § 262.7 new paragraph (d) (2) (v) is added and paragraph (e) (2) is revised to read as follows:

§ 262.7 Schedule of fees.

(d) *Waiver of fees.* * * *

(2) * * *

(v) Postage meter manufacturers when they are attempting to locate a missing meter.

(e) *Accounting for fees.* * * *

(2) Forward fees received for information furnished by postal data centers, automatic data processing centers (ADPC), and regional offices to the disbursing officer at the appropriate postal data center for deposit, specifying the proper account number to be used for recording the amounts collected. Postal data centers, ADPC's, and Headquarters offices providing record retrieval as described in paragraph (a)(1) of this section, plus the fees covered in paragraphs (a)(2), (b) and (c) of this section, will enter the fees in A/C 40990, Miscellaneous; ADPC complexes will enter in A/C 49299, Miscellaneous, Other than U.S. Government Agencies. Other installations will enter all fees deposited in A/C 40990.

PART 273 [RESERVED]

6. Part 273 is revoked and reserved.
[FR Doc.74-25445 Filed 11-4-74; 8:45 am]

Title 5—Administrative Personnel CHAPTER I—CIVIL SERVICE COMMISSION PART 213—EXCEPTED SERVICE

Federal Energy Administration

Section 213.3388 is amended to show that one position of Executive Assistant to the Assistant Administrator for En-

ergy Resource Development is excepted under Schedule C.

Effective November 5, 1974, § 213.3388 (j) (1) is added as set forth below.

§ 213.3388 Federal Energy Administration.

(j) *Office of Energy Administration.*
(1) One Executive Assistant to the Assistant Administrator.

(5 U.S.C. secs. 3301, 3302; E.O. 10577, 3 CFR 1954-58 comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant
to the Commissioners.

[FR Doc.74-25760 Filed 11-4-74; 8:45 am]

Title 9—Animals and Animal Products CHAPTER I—ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE

SUBCHAPTER D—EXPORTATION AND IMPORTATION OF ANIMALS (INCLUDING POULTRY) AND ANIMAL PRODUCTS

PART 97—OVERTIME SERVICES RELATING TO IMPORTS AND EXPORTS

Commuted Traveltime Allowances

The purpose of this amendment is to establish commuted travel-time periods as nearly as may be practicable to cover the time necessarily spent in reporting to and returning from the place at which an employee of Veterinary Services performs overtime or holiday duty when such travel is performed solely on account of overtime or holiday duty. Such establishment depends upon facts within the knowledge of the Animal and Plant Health Inspection Service.

Therefore, pursuant to the authority conferred upon the Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service by § 97.1 of the regulations concerning overtime services relating to imports and exports (9 CFR 97.1), administrative instructions 9 CFR 97.2 (1974 ed.), as amended January 4, 1974 (39 FR 999), January 18, 1974 (39 FR 2265), March 18, 1974 (39 FR 10115), April 4, 1974 (39 FR 12252), June 5, 1974 (39 FR 19940), June 25, 1974 (39 FR 22942), August 14, 1974 (39 FR 29172), August 30, 1974 (39 FR 31622), September 23, 1974 (39 FR 34019), and October 11, 1974 (39 FR 36570), prescribing the commuted traveltime that shall be included in each period of overtime or holiday duty, is hereby amended by adding to or deleting from the respective lists therein as follows:

OUTSIDE METROPOLITAN AREA SEVEN HOURS

Add: Mabel, Minnesota (served from St. Paul, Minnesota).

(64 Stat. 561; 7 U.S.C. 2260.)

Effective date. The foregoing amendment shall become effective November 5, 1974.

It is to the benefit of the public that this instruction be made effective at the earliest practicable date. It does not appear that public participation in this rulemaking proceeding would make additional relevant information available to the Department.

Accordingly, pursuant to 5 U.S.C. 553, it is found upon good cause that notice and public procedure on this instruction are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making it effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 31st day of October 1974.

J. M. HEJL,
Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Service.

[FR Doc. 74-25813 Filed 11-4-74; 8:45 am]

Title 10—Energy

CHAPTER I—ATOMIC ENERGY COMMISSION

PART 70—SPECIAL NUCLEAR MATERIAL

Criticality Accident Alarm Systems

On October 12, 1973, the Atomic Energy Commission published in the FEDERAL REGISTER (38 FR 28301) a proposed amendment of 10 CFR Part 70 of its regulations which would revise the criteria for criticality accident alarm systems in §§ 70.22 and 70.24 to provide greater conformity with American National Standards N16.2-1969, "Criticality Accident Alarm System," and N16.1-1969, "Nuclear Criticality Safety in Operations with Fissionable Materials Outside Reactors." The amendments were intended to increase flexibility for licensees with no loss of safety. All interested persons were invited to submit written comments and suggestions in connection with the proposed amendments within 45 days after publication of the notice of proposed rulemaking in the FEDERAL REGISTER. Seven written comments were received, and some changes in the amendment have been made in response to those comments. The changes made, however, do not affect the main substance of the proposed amendment which was published for comment.

The phrase in the proposed paragraph (a) (1) of § 70.24 exempting special nuclear material from such alarm systems "when it is stored in a critically safe container or storage array," was questioned. Upon reconsideration the Commission has deleted the phrase in question. While such containers may be critically safe in limited quantities, very large arrays under conditions of storage could be critical. Thus an alarm is necessary where large arrays of such containers could be formed. In transportation vehicle size limits the number of containers in the array. Consequently, there is no danger of criticality from shipments in transit packaged in accordance with Part 71 requirements,

and alarms are not necessary for such material in transit.

Licensees may request an exemption for materials stored while packaged in accordance with Part 71 requirements under § 70.14, "Specific Exemptions," or § 70.24(b). The request should demonstrate that precautions are taken to assure separation of containers such that there is no possibility of criticality associated with an array of containers.

The proposed requirement in § 70.24 (a) (1) for two independent detectors was also questioned. Upon reconsideration the word "independent" is deleted.

Two comments pointed out that the proposed wording of § 70.24 (as well as the presently effective wording) would require Part 70 licensees to have alarm systems in areas where only small quantities of special nuclear material would be present (e.g., laboratories with small samples or isotopic neutron sources). Although there may be such areas in a facility, it is not practicable in a general regulation to define precisely all possible conditions under which criticality could not occur. The proposed wording is therefore retained. Licensees may apply for exemptions for specific areas under § 70.14, "Specific Exemptions," or § 70.24(b), an exemption clause for that paragraph.

One comment urged deletion of the more restrictive mass limits in § 70.24(a) when small quantities of graphite are present since small quantities do not significantly affect the minimum critical mass. These more restrictive mass limits were not meant to apply to small quantities of these moderators. The word "massive" has, therefore, been inserted before the word "moderators" in the first sentence of § 70.24(a).

The use of the "rad" as a unit of dose instead of the "rem" was questioned. The International Commission on Radiation Units and Measurements in ICRU Report 19 (1971) states that "rad" is the special unit of "absorbed dose" and "rem" is the special unit of "dose equivalent." They note that dose equivalent "may be used * * * in the region of, or below, the applicable maximum permissible dose equivalent. It should not be used for high level accidental exposures." A reason for this restriction is that the relative biological effectiveness (RBE) for neutrons is quite different for the acute effects of large doses compared with the long term chronic effects of low level doses. For example, it has been found that the RBE of neutrons for 30 day mortality in large mammals is less than one.¹ Accordingly, the use of the term "rad" has been retained.

The problem of establishing a valid alarm set-point for a detector that detects only gammas or neutrons when different gamma/neutron ratios can occur was pointed out. This problem is discussed in the Appendix to American National Standard N16.2-1969, "Critically Accident Alarm System." In that Ap-

¹ D. G. Brown and F. F. Haywood, Health Physics, Volume 24, June 1973, page 627.

pendix an alarm set-point and maximum detector-source distance are calculated which are applicable to a very wide variety of possible situations. Thus a single set-point and maximum detector-source distance are applicable for the great majority of situations. The standard N16.2 1969 is currently under review by American Nuclear Society Subcommittee 8, and the subcommittee anticipates that the revised version of the standard will continue to include such calculations in the Appendix. It is believed that the guidance in the Appendix can be used as easily as the specific set-point and maximum detector-source distance previously specified in § 70.24 of the Commission's regulations and would provide for greater flexibility by the user.

One comment suggested that low fission rate criticality accidents could occur which would not be large enough to set off the alarm. While such an occurrence may be theoretically possible, it is considered extremely unlikely. Any accident which is self-terminating must liberate enough energy to provide a shutdown mechanism. While a system could conceivably liberate this energy over a long time, this would require reactivity control of such delicacy that it is not to be expected in process accidents.

The proposed rule published for public comment would have eliminated the requirement for an alarm when sufficient water covered the special nuclear material, so that a significant dose to workers would not be possible. However, in view of the possibility of special nuclear material going critical and then being inadvertently lifted to the surface or being lifted to the surface and then going critical, the language of the existing § 70.24 has, therefore, been retained.

Section 70.24 has also been reorganized so that the requirements applicable under the "grandfather clause" are explicitly stated in paragraph (a) (2) of § 70.24.

In accordance with the Atomic Energy Act of 1954, as amended, and sections 552 and 553 of Title 5 of the United States Code, the following amendment of Title 10, Chapter I, Code of Federal Regulations, Part 70 is published as a document subject to codification.

1. Paragraph (a) (7) and (8) of § 70.22 are revised to read as follows:

§ 70.22 Contents of applications.

- (a) * * *
- (7) A description of equipment and facilities which will be used by the applicant to protect health and minimize danger to life or property (such as handling devices, working areas, shields, measuring and monitoring instruments, devices for the disposal of radioactive effluents and wastes, storage facilities, criticality accident alarm systems, etc.).
- (8) Proposed procedures to protect health and minimize danger to life or property (such as procedures to avoid accidental criticality, procedures for personnel monitoring and waste disposal, post-criticality accident emergency procedures, etc.).

2. Section 70.24 is revised to read as follows:

§ 70.24 Criticality accident alarm system.

(a) Each licensee authorized to possess special nuclear material in a quantity exceeding 700 grams of contained uranium-235, 520 grams of uranium-233, 450 grams of plutonium, 1,500 grams of contained uranium-235 if no uranium enriched to more than 4 percent by weight of uranium-235 is present, 450 grams of any combination thereof, or one-half such quantities if massive moderators or reflectors made of graphite, heavy water or beryllium may be present, shall maintain in each area in which such licensed special nuclear material is handled, used, or stored, a monitoring system meeting the requirements of either paragraph (a)(1) or (a)(2), as appropriate, and using gamma- or neutron-sensitive radiation detectors which will energize clearly audible alarm signals if accidental criticality occurs. This section is not intended to require underwater monitoring when special nuclear material is handled or stored beneath water shielding or to require such monitoring systems when special nuclear material is being transported packaged in accordance with the requirements of Part 71 of this chapter.

(1) The monitoring system shall be capable of detecting a criticality that produces an absorbed dose in soft tissue of 20 rads of combined neutron and gamma radiation at an unshielded distance of 2 meters from the reacting material within one minute. Coverage of all areas shall be provided by two detectors.

(2) Persons licensed prior to December 6, 1974, to possess special nuclear material subject to this section may maintain a monitoring system capable of detecting a criticality which generates radiation levels of 300 rems per hour one foot from the source of the radiation. The monitoring devices in the system shall have a preset alarm point of not less than 5 millirems per hour (in order to avoid false alarms) nor more than 20 millirems per hour. In no event may any such device be farther than 120 feet from the special nuclear material being handled, used, or stored; lesser distances may be necessary to meet the requirements of this paragraph (a)(2) on account of intervening shielding or other pertinent factors.

(3) Emergency procedures for each area in which such licensed special nuclear material is handled, used or stored shall be maintained to assure that all personnel withdraw to an area of safety upon the sounding of the alarm. These procedures shall include the conduct of drills to familiarize personnel with the evacuation plan, plans and designation of responsible individuals for determining the cause of the alarm, and placement of radiation survey instruments in accessible locations for use in such an emergency.

(b) Any licensee who believes that good cause exists why he should be granted an exemption in whole or in part from the requirements of this section may apply to the Commission for such exemption. Such application shall specify his reasons for the relief requested.

Effective date. The foregoing amendments become effective on December 6, 1974.

(Secs. 161, 183, Pub. L. 83-703, 68 Stat. 948, 954 (42 U.S.C. 2201, 2233))

Dated at Bethesda, Md. this 18th day of October 1974.

For the Atomic Energy Commission.

L. MANNING MUNTZING,
Director of Regulation.

[FR Doc. 74-25787 Filed 11-4-74; 8:45 am]

CHAPTER II—FEDERAL ENERGY ADMINISTRATION

PART 205—ADMINISTRATIVE PROCEDURES AND SANCTIONS

PART 211—MANDATORY PETROLEUM ALLOCATION REGULATIONS

Middle Distillate Fuels; Allocation Levels for Space Heating Requirements and Allocation to Electric Utilities

On September 6, 1974, the Federal Energy Administration issued a notice of proposed rulemaking and public hearing (39 FR 32876, September 11, 1974) to amend Subpart G of Part 211, the Mandatory Petroleum Allocation Regulations, with respect to certain allocation levels and the method of allocating middle distillate fuels to electric utilities.

Approximately 120 written comments were received in response to the notice of proposed rulemaking. Oral presentations were made by six parties at the public hearing, which was held on September 27, 1974.

Several modifications to the proposed regulations have been made, and the proposed regulations, as modified, are hereby adopted.

Allocation Level for Space Heating. The proposed regulations provided for a change in the allocation level for space heating requirements from one hundred percent of base period use, not subject to an allocation fraction, to one hundred percent of current requirements, subject to an allocation fraction. In addition, it was proposed to eliminate the mandatory temperature reduction requirements for space-heating users of middle distillate. The change in allocation level from a percent of base period use to current requirements was proposed because significant variations in average temperatures between this winter and the winter months of 1972 could cause hardships to space heating end-users and wholesale purchaser-consumers. Elimination of required temperature reductions was proposed because similar conservation measures have not been imposed on users of other sources of energy for space heating and because the requirement had proven extremely difficult to administer.

Comments received with respect to this issue generally favored eliminating the required temperature reductions and raising the allocation level for space heating. Many parties commented, however, that a change in allocation level from a percent of base period use to current requirements would be undesirable because of the difficulty of estimating current requirements for the many purchasers of middle distillate fuels involved, and because of the additional burdensome reporting and certification requirements which would be imposed upon suppliers.

Therefore, the allocation level for middle distillate fuels for space heating requirements has been raised to one hundred ten percent of base period use, subject to an allocation fraction. In order to prevent hardships to purchasers whose suppliers may experience low allocation fractions, a provision has been added which requires that when a supplier's allocation fraction is less than 0.8, the allocation level becomes eighty-eight percent of base period use, (which is 0.8 multiplied times one hundred ten percent of the base period use) not subject to an allocation fraction. Thus, when a supplier calculates its allocation fraction for a month and determines that it will be less than 0.8, the supplier must recalculate its fraction by treating eighty-eight percent of the base period use of its space heating end-users and wholesale purchaser-consumers as amounts not subject to the allocation fraction under § 211.10(b)(1) and (2). The recalculated allocation fraction will then be applied for purchasers under all allocation levels subject to the allocation fraction except space heating requirements, and purchasers of middle distillate fuels for space heating will be supplied at eighty-eight percent of base period use, not subject to an allocation fraction.

Required temperature reductions have been eliminated with respect to middle distillate. In order to insure that medical and nursing buildings, which previously were not subject to temperature reductions or an allocation fraction, have adequate heating oil, they have been accorded an allocation level of one hundred percent of current requirements, not subject to a fraction. However, to promote voluntary conservation of middle distillate fuels, a provision has been adopted to require suppliers of those fuels for space heating to have in effect a program of energy conservation education. Under this provision, suppliers must communicate in writing at least twice during the heating season to their purchasers the need for energy conservation and ways in which middle distillate fuels can be conserved. Suppliers may request assistance in developing a program from the FEA Regional Offices, and must certify that they have an energy conservation education program in effect.

Other allocation levels. Based on FEA's forecast that there should be adequate supplies of middle distillate this winter, FEA also proposed to change the allocation levels for industrial use, except

for space heating, and for petrochemical feedstock use. In the case of industrial use, the proposed change was from one hundred ten percent of base period use to one hundred percent of current requirements subject to the allocation fraction. It was proposed that petrochemical feedstock use have an allocation level of one hundred percent of current requirements, subject to the allocation fraction, instead of one hundred percent of base period use.

The comments received with respect to this proposal were substantially in favor of the change and raised no valid objections. Therefore, these proposed increases are adopted without changes.

Method of allocating middle distillate to electric utilities. In the notice of proposed rulemaking FEA also proposed that the method of allocating middle distillate fuels to electric utilities be revised to provide for a program administered by the National FEA, similar to the program for allocating residual fuel oil to utilities. The proposed regulation provided that the National FEA would determine for each month the amount of middle distillate for nonutility use and for utility use. Based on that determination, FEA would then determine the amounts to be supplied to each utility, and the amounts to be supplied by each supplier according to the percentage of the utility's purchases supplied during the base period by each supplier, and would notify utilities and suppliers directly of these amounts.

This proposal was based in part on the need for flexibility in assuring adequate supplies of middle distillate fuels to utilities in the event of any disruption in normal utility supplies.

Based upon the comments received in response to the proposals and on other information, FEA has determined that the needed flexibility may be obtained through a program administered by the National FEA, rather than the Regional Offices. The present allocation level of one hundred percent of base period use, subject to an allocation fraction, has been retained, however, and the proposal that FEA determine and publish monthly allocations to utilities has not been adopted. Utilities may apply to the National FEA under § 211.125(b) for adjustments to base period use. These adjustments will be granted only in exceptional cases where necessary to maintain reliable electric service. FEA may also at any time make downward adjustments to base period use based upon the criteria set forth in § 211.125(c).

(Emergency Petroleum Allocation Act of 1973, Pub. L. 93-159; Federal Energy Administration Act of 1974, Pub. L. 93-275; E.O. 11790 (39 FR 23185))

In consideration of the foregoing, Parts 205 and 211 of Chapter II, Title 10 of the Code of Federal Regulations, are amended as set forth below, effective November 1, 1974.

Issued in Washington, D.C., October 31, 1974.

ROBERT E. MONTGOMERY, JR.,
General Counsel,
Federal Energy Administration.

1. Section 205.13 is amended by redesignating paragraphs (a) (4), (5), (6), (7), (8), (9), and (10) as paragraphs (a), (5), (6), (7), (8), (9), (10), and (11), respectively and by adding a new paragraph (a) (4) to read as follows:

§ 205.13 Where to file.

(a) * * *

(4) The allocation and pricing of middle distillate fuels pursuant to Subpart G of Part 211 and Part 212 of this chapter, filed by electric utilities;

2. Section 211.123 is amended by revising paragraphs (b) and (c) to read as follows:

§ 211.123 Allocation levels.

(b) Allocation levels not subject to an allocation fraction. One hundred (100) percent of current requirements for the following uses:

- (1) Agricultural production;
- (2) Department of Defense use as specified in § 211.26; and
- (3) Space heating requirements of medical and nursing buildings.

(c) Allocation levels subject to an allocation fraction. (1) One hundred (100) percent of current requirements (as reduced by application of an allocation fraction) for the following uses:

- (i) Emergency services;
- (ii) Energy production;
- (iii) Manufacture of ethical drugs and related research;
- (iv) Sanitation services;
- (v) Telecommunications services;
- (vi) Passenger transportation services;

(vii) Cargo, freight, and mail hauling except as set forth elsewhere in this section;

(viii) Aviation ground support vehicles and equipment;

(ix) Nonmilitary marine shipping, both foreign and domestic (except cruise ships carrying passengers for recreational purposes). Sales to vessels engaged in the foreign trade of the United States shall be made on a nondiscriminatory basis in regard to flag registration, subject to modification by the FEA following consultation with appropriate Federal agencies on a case-by-case basis if required to encourage reciprocal nondiscriminatory allocation of middle distillate fuels in foreign ports to vessels engaged primarily in the foreign trade of the United States;

(x) Industrial use, except for space heating requirements;

(xi) Petrochemical feedstock use; and

(xii) Start-up, standby, testing and flame stabilization for electric utilities.

(2) One hundred ten (110) percent of base period use (as reduced by application of an allocation fraction) for space heating requirements, except that whenever the allocation fraction of a supplier which supplies end-users and wholesale purchaser-consumers pursuant to this allocation level is less than 0.8, that supplier shall supply the space heating requirements of those end-users and wholesale purchaser-consumers at an allocation level of eighty-eight (88) per-

cent of base period use, not subject to an allocation fraction.

(3) One hundred (100) percent of base period use (as reduced by application of an allocation fraction) for the following uses:

- (i) Synthetic natural gas plant feedstock use;
- (ii) Electric utilities; and
- (iii) All other non-space heating uses.

3. Section 211.124 is added to read as follows:

§ 211.124 Energy conservation.

(a) Notwithstanding the provisions of § 211.21, no end-user middle distillate fuels for space-heating requirements shall be required to certify to its supplier that it has an energy conservation program in effect.

(b) (1) Suppliers of middle distillate fuels to end-users and wholesale purchaser-consumers for space heating requirements shall have in effect a program of energy conservation education. As part of such program, the supplier shall communicate in writing at least twice during each heating season to its purchasers of middle distillate fuels for space heating purposes the need for conservation of middle distillate fuels and ways in which such fuels can be conserved.

(2) Suppliers required to have in effect an energy conservation education program under this paragraph shall certify to the appropriate FEA Regional Office at the address provided in § 205.12, by December 31, 1974, that they have such a program in effect, and shall submit a copy of any written communication used. The FEA Regional Offices will be available to assist all suppliers in developing such a program.

4. Section 211.125 is revised to read as follows:

§ 211.125 Supplier/purchaser relationships and adjustments to base period use for electric utilities.

(a) Unless otherwise specified, the provisions of §§ 211.9 through 211.13 apply to this subpart.

(b) Electric utilities may apply to the National FEA for adjustments to base period use. Applications under this paragraph shall be fully supported by detailed facts, figures and other documentation, including the following information:

(1) The name and address of each base period supplier;

(2) The amounts of middle distillate supplied by each supplier during each base period; and

(3) All information relating to any adjustments or assignments which have been made by FEA. FEA may consult with appropriate Federal agencies in processing such applications. Adjustments under this paragraph will be granted only in exceptional cases to maintain reliability of electric service.

(c) The FEA may at any time adjust downward the base period use of an electric utility, provided that the adjustment does not result in a base period use which is less than the utility's base period volume. The FEA shall notify the utility

and the affected supplier of any such adjustment. In making such an adjustment, the FEA may consider, but is not limited to the following:

- (1) The addition or phasing out of generating units;
- (2) Ability, within appropriate groupings, to absorb equal percentage cut-back in middle distillate supply;
- (3) Ability to utilize non-oil based energy;
- (4) System reserve capacity;
- (5) Available energy from imports;
- (6) Minimum level of consumption, which cannot be supplied by non-oil fired generation, determined essential to the system by the Federal Power Commission;
- (7) Interruptible natural gas contracts and curtailments; and
- (8) Middle distillate inventory held by a utility.

§ 211.126 [Amended]

5. Section 211.126 is amended by deleting paragraph (c) in its entirety.

6. Section 211.127 is revised to read as follows:

§ 211.127 Procedures and reporting requirements.

(a) All applications for adjustment and assignment of middle distillate fuels, except to utility users, shall be filed with the appropriate State Office or FEA Regional Office in accordance with Subparts B and C, respectively, of Part 205 of this chapter. All other matters pertaining to allocation of middle distillate fuels, except to utility users, shall be submitted to the appropriate FEA Regional Office at the address provided in § 205.12. All matters pertaining to the allocation of middle distillate fuels to utility users shall be addressed FEA National Office at the address provided in § 205.12, unless otherwise specified, and to the Chairman, Federal Power Commission.

(b) The general reporting and record-keeping requirements contained in Subpart L or this part apply to this subpart.

(c) Applications for assignment from the state set-aside system for hardship or emergency requirements shall be submitted to the appropriate State Office in accordance with the procedures established in Subpart Q of Part 205 of this chapter.

[FR Doc. 74-25732 Filed 11-4-74; 8:45 am]

CHAPTER II—FEDERAL ENERGY ADMINISTRATION

SUBCHAPTER K—DELEGATIONS

PART 660—MANDATORY PETROLEUM REGULATIONS—PUERTO RICO

The notice of proposed rulemaking containing the mandatory allocation regulations applicable to gasoline, propane, butane, middle distillate and residual fuel oil sold for use within the Commonwealth of Puerto Rico was issued by the Department of Consumer Affairs ("DOCA") on September 18, 1974 (39 FR 34072, September 23, 1974). Public hearings

were held by DOCA on October 2, 1974 and interested persons were invited to submit written comments by October 9, 1974. Six people testified at the hearings, and approximately ten written comments were received. The regulations published herein contain revisions to the proposed regulation which reflect the DOCA's consideration of those comments and incorporate certain changes suggested therein.

A discussion of the major changes, and of certain comments received regarding the proposed regulations follows.

Introduction. The delegation of authority from the Federal Energy Office grants to the Commonwealth the authority to establish a mandatory allocation program for the volume of propane, butane, motor gasoline, middle distillate and residual fuel oil, equal to the volume sold for use within the Commonwealth during the corresponding calendar quarter of 1973. Amounts of each product in excess of the 1973 volumes for such product remain subject to the Mandatory Petroleum Allocation Regulations of the Federal Energy Administration ("FEA").

The regulations promulgated herein apply only to motor gasoline, middle distillate, propane and butane and not to residual fuel oil. Thus, they are in partial exercise of the delegated authority. The DOCA has determined that the situation regarding residual fuel oil warrants further study with respect to production capacity, current production, current requirements and the methods most suited to allocation of the product. Therefore, at this time, the mandatory allocation program for petroleum products sold in Puerto Rico does not apply to residual fuel oil. Rather the FEA regulations remain applicable. The DOCA may extend the regulations adopted herein to residual fuel oil effective December 1, 1974, by filing an amendment to this rulemaking in the FEDERAL REGISTER. However, it may ultimately determine that some different method or method of allocation are more suitable to residual fuel oil. In that event, proposed rules will be issued for public comment prior to their implementation.

The regulations are designed to assure that volumes of each petroleum product sold in the Commonwealth in each calendar quarter equal the volume sold during the corresponding calendar quarter of 1973. In order to provide for distribution of petroleum products with a minimal amount of disruption the regulations are designed to have each supplier sell in the Commonwealth volumes of products which are equal to the volumes it sold in the corresponding calendar quarter of 1973. The DOCA retains authority (§ 660.9) to order a supplier which may have a volume in excess of its 1973 volume to sell more in the Commonwealth than it sold in the corresponding period of 1973 if necessary to accommodate for shortages below 1973 volumes experienced by other suppliers. This authority will be exercised only if necessary in order to implement the allocation program in the Commonwealth and to assure that

there is a volume of product available equal to the 1973 volume.

Subpart A. Subpart A remains substantially as originally proposed. However, to accommodate a concern raised in several comments, the criteria the DOCA will apply in taking any administrative actions specified in Part 660 has been added to § 660.9.

Subpart C. The general method of allocation set forth in this subpart remains unchanged. However, pursuant to suggestions contained in the comments, a supplier's allocable supply defined in § 660.103(b)(1) has been modified to exclude volumes of product supplied to customers through exchange agreements. In addition, allocable supply has been modified to include only reductions in inventory made pursuant to § 660.9. Existing inventory and petroleum product used to increase inventory consistent with the provisions of § 660.9 are not part of allocable supply. Consistent with the changes in the calculation of total supply, the definition of "base period use" in § 66.103(b)(2)(ii) has been modified to exclude from the base period volume of a wholesale purchaser product received in an in kind exchange agreement involving a single product.

A new paragraph (2) has been added to § 660.103(e). Any supplier whose allocation fraction is less than one and whose wholesale purchasers either have not purchased or have notified the supplier of their intent not to purchase the volume of petroleum product to which they are entitled in a given allocation period may report and dispose of such volumes in accordance with the provisions of § 660.103(f).

Section 660.103(f) which provides that a supplier with an allocation fraction equal to or greater than one, must make sales pursuant to an allocation fraction equal to one, has been modified in several respects to incorporate suggestions contained in the comments. A surplus product of a supplier (other than a prime supplier or a supplier of unleaded gasoline) may be distributed at the discretion of the supplier. Each prime supplier and each supplier of unleaded gasoline must report surplus product to the DOCA, pursuant to the requirements of §§ 660.152 and 660.153. If, after fifteen days, the DOCA has not notified the supplier to distribute such product in a specified manner, it may be distributed at the discretion of the supplier.

The § 660.104(c) provisions concerning the loss of an allocation entitlement for going out of business as applicable to retail sales outlets have been clarified. Generally, a wholesale purchaser-reseller which operates a retail gasoline outlet will be deemed to have gone out of business with respect to a particular outlet if it vacates the site on which it conducts such business. However, an independent marketer, branded or non-branded, shall not be deemed to have gone out of business if, (i) the independent marketer vacates a site on which it formerly operated a retail sales outlet, (ii) the former site is closed as a retail sales outlet

or is operated as such by a firm that is not an independent marketer and (iii) the independent marketer that occupies the former site within a reasonable time may establish another retail sales outlet servicing substantially the same customers or market. Section 660.104(d) has also been modified to make clear that if a wholesale purchaser-reseller operating a retail sales outlet for gasoline is deemed to have gone out of business the right to an allocation with respect to that particular outlet shall be deemed to have transferred to its successor in the site provided the successor establishes the same on-going business within a reasonable time after its predecessor vacates.

The provisions for the allocation of unleaded gasoline, § 660.107, remain substantially unchanged. However, if a supplier with an allocation fraction less than one has unleaded gasoline that none of its purchasers entitled to receive it desire to purchase the supplier must notify the DOCA in accordance with the provisions of § 660.103(f) (2) (i). Fifteen days thereafter the supplier may distribute such unleaded gasoline at its discretion, provided that during the fifteen days the DOCA has not ordered to the contrary. A comment from a supplier suggested that the provisions for unleaded gasoline should reflect a recent amendment to the FEA regulations which requires that the supplier's initial distribution of unleaded gasoline be to certain wholesale purchaser-consumers which have an acute need for unleaded gasoline. The remaining unleaded gasoline is then sold to purchasers entitled to receive gasoline from that supplier. However, no comments were received from such wholesale purchaser-consumers in Puerto Rico which suggested that their acute needs for unleaded gasoline could not be met pursuant to the method proposed by the DOCA. Therefore, unless problems arise within the Commonwealth the pro rata distribution system to all wholesale purchasers of gasoline as proposed by the DOCA will be retained.

A number of comments were received on the § 660.110(c) (iii) requirements that a prime supplier must sell a petroleum product from the set-aside within three days of presentation of a DOCA order by a wholesale purchaser or end-user. Many felt that three days was simply too short a period within which to comply with DOCA orders. Accordingly, this provision has been modified to allow three working days.

Conclusion. Technical and conforming changes to the issues discussed above have been made throughout Part 660.

(Emergency Petroleum Allocation Act of 1973, Pub. L. 93-159; Federal Energy Administration Act of 1974, Pub. L. 93-275, E.O. 11790, 39 FR 23185; FEO Order No. 4, 39 FR 9506; Governor of the Commonwealth of Puerto Rico, E.O. No. 2039)

In consideration of the foregoing, Chapter II of Title 10 of the Code of Federal Regulations is amended to add a new Subchapter K, Part 660 as set forth below effective October 31, 1974.

Issued in San Juan, Puerto Rico,
October 31, 1974.

FEDERICO HERNANDEZ-DENTON,
Secretary, Department of Consumer Affairs, Commonwealth of Puerto Rico.

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AUTHORITY: Emergency Petroleum Allocation Act of 1973, Pub. L. 93-159; Federal Energy Administration Act of 1974, Pub. L. 93-275, E.O. 11790, 39 FR 23185; FEO Order No. 4, 39 FR 9506; Governor of the Commonwealth of Puerto Rico, E.O. No. 2039.

Subpart A—General Provisions

§ 660.1 Purpose.

The purpose of this part is to set forth the regulations applicable to the mandatory allocation of motor gasoline, middle distillates, propane and butane in the Commonwealth. To the extent of any conflict, the provisions of this part supersede the provisions of the Mandatory Petroleum Allocation Regulations of the Federal Energy Administration.

§ 660.2 Applicability.

(a) Effective 11:59 p.m., October 31, 1974, the provisions of this part apply to each petroleum product produced in or imported into the Commonwealth up to the volume of that product sold for use within the Commonwealth during the corresponding calendar quarter of 1973.

(b) Effective 11:59 p.m., October 31, 1974, the provisions of this part apply to each firm which refines, imports, exports, purchases or sells petroleum products in the Commonwealth.

§ 660.3 Exclusions.

(a) Any volume of a petroleum product in the Commonwealth in a particular calendar quarter in excess of the volume of that petroleum product sold for use within the Commonwealth in the corresponding calendar quarter of 1973, is excluded from the provisions of this part and remains subject to the Mandatory Petroleum Allocation Regulations of the FEA.

(b) Exports of petroleum products subject to Subchapter B of Chapter III of Title 15 of the Code of Federal Regulations are excluded from this part.

§ 660.4 Exceptions and exemptions.

When necessary to accomplish the purposes of the Act, the DOCA may permit an exception or an exemption from the regulations of this part. Requests for exception and exemption shall be submitted in accordance with the provisions of Part 661 of this subchapter.

§ 660.5 Ratification of prior directives, orders and actions.

Unless modified by any provisions of this part any directive, order or action in effect pursuant to the Act shall remain in effect:

(a) Until its expiration by its own terms; or

(b) Until its revocation or amendment by any directive or order or superseding regulation issued under the provisions of this part.

§ 660.6 Retaliatory actions.

No firm (including an individual) may take retaliatory action against any other firm (including an individual) that files or manifests an intent to file a complaint of alleged violation of, or that otherwise exercises any rights conferred by the Act, any provision of this part, or any order issued under this part. For the purposes of this paragraph, "retaliatory action" means any action contrary to the purpose or intent of the Act or the DOCA to allocate petroleum products and may include a refusal to continue to sell, any reduction in quality, any reduction in quantity of services or products customarily available for sale or lease, any slowdown in customary delivery time or schedule, any violation of privacy, any form of harassment, or any inducement of others to retaliate.

§ 660.7 Normal business practices.

(a) Suppliers will deal with purchasers of a petroleum product according to normal business practices in effect during the base period specified in this part for that petroleum product, and no supplier may modify any normal business practice so as to result in the circumvention of any provision of this part. "Summer fill" programs and other "dating" or seasonal credit programs are among the normal business practices which must be maintained by a supplier under this paragraph, if that supplier had such programs in effect during the base period. Credit terms other than those associated with seasonal credit programs are included as a part of the May 15, 1973 price charged to a class of purchasers under

Part 212 of this Chapter. Nothing in this paragraph shall be construed to require suppliers to sell to purchasers who do not arrange proper credit or payments for petroleum products, as customarily associated with that class of purchaser during the base period (for seasonal credit), or on May 15, 1973 (for other credit terms). However, no supplier may require or impose more stringent credit terms or payment schedules on purchasers than those in effect for that class of purchaser during the base period (for seasonal credit), or on May 15, 1973 (for other credit terms).

(b) No supplier shall engage in any form of discrimination among purchasers of any petroleum product. For purposes of this paragraph, "discrimination" means extending any preference or sales treatment which has the effect of frustrating or impairing the objectives, purposes and intent of this part or the Act, and includes, but is not limited to, refusal by a retail marketer of motor gasoline or diesel fuel to furnish or sell any petroleum product due to the absence of a prior selling relationship with the purchaser, or establishment of new volume purchase arrangements where customers of retailers agree in advance to purchase in excess of normal amounts of motor gasoline or diesel fuel and thereby receive preferential treatment.

(c) Any practice which constitutes a means to impose terms or conditions not customarily imposed upon the sale of a petroleum product is in violation of these regulations.

§ 660.3 Supplier/purchaser accommodations.

(a) Any supplier may arrange to supply any purchaser which is entitled to receive an allocation from it through another supplier or suppliers in accordance with normal business practices. The purchaser shall, however, be entitled to receive the same amount and quality of the petroleum product from the substituted supplier or suppliers that it would receive if it were directly supplied by the original supplier using that supplier's allocation fraction.

(b) In order to alleviate imbalance, suppliers and refiners may make normal business exchanges among themselves.

(c) To accommodate seasonal and other fluctuations in both supply and demand such as requirements for agricultural production, suppliers and wholesale purchasers may agree between and among themselves either to borrow on future allocations or to defer current allocations for one calendar year as long as such arrangements do not result in an involuntary reduction in allocations to other wholesale purchasers.

§ 660.9 Administrative actions.

(a) *Authority of the DOCA.* (1) If necessary, the DOCA may take any of the actions described in this part.

(2) *Criteria.* In taking any action described in this part the DOCA shall consider the criteria stated in section 4(b) of the Act, the purpose and goals of the mandatory allocation program and the

need to alleviate or prevent serious hardship or gross inequity.

(b) *Directed sales.* (1) Notwithstanding any other provisions of this part, the DOCA may order any supplier, including a refiner, importer, exporter, or any other seller of petroleum products to sell a particular petroleum product to a specified purchaser or class of purchasers if it is determined that such a sale or sales are necessary in order to further the purpose and goals of the Act and these regulations.

(2) With respect to suppliers described in § 660.103(g), the DOCA will notify the supplier of the volume of its petroleum products subject to directed sales five (5) days prior to the allocation period for which the sale or sales are directed.

(c) *Inventories of petroleum products.* No supplier, importer, wholesale purchaser or end-user shall accumulate inventories of any petroleum product which exceed customary inventories maintained by that supplier, importer, wholesale purchaser or end-user in the conduct of his normal business practices unless otherwise directed by the DOCA. Normal inventory practices shall be observed in determining allocable supplies of petroleum products for each period corresponding to a base period. The DOCA may review inventory practices and may direct an increase or decrease in inventories if:

(1) The inventory practices employed are inconsistent with the provisions of this part;

(2) The inventory practices circumvent or otherwise violate other provisions of this part; or

(3) The DOCA determines that an adjustment is necessary in order to allocate petroleum products in a manner consistent with the objectives of the allocation program.

(d) *Adjustment to calculations.* Upon a finding that incorrect or otherwise inaccurate data have been used in calculating the allocation of any petroleum product subject to this part, the DOCA may take appropriate action to adjust any such figures or data and any allocations based thereon to account for the error.

(e) *Adjustments to allocable supply.* Notwithstanding any other provision of this part, the DOCA may order any supplier, including a refiner, importer, exporter or any other seller of petroleum products to increase its allocable supply in excess of the amount computed under § 660.103(b) (1) if necessary in order to assure that the total volume of petroleum products subject to this part in a particular calendar quarter are equal to the volume sold for use in the Commonwealth in the corresponding calendar quarter of 1973.

(f) *Redirection of product.* To meet imbalances that may occur in the supplies of any petroleum product, the DOCA may order the transfer of specified amounts of any such product from one area to another or may order that different allocation fractions be used in dif-

ferent areas. Furthermore, the DOCA may transfer supplies of petroleum products among suppliers in order to remedy supply imbalances.

(g) *Reassignment of wholesale purchasers.* Any supplier which for reason beyond its control is unable to supply petroleum product in its specific customary ways or which has significantly reduced marketing or distribution activities in any area and which is obligated to supply its base period purchasers in that area under the terms of this program may apply to the DOCA to seek a change in the method of supplying such purchasers. The DOCA may order the reassignment of wholesale purchasers from one supplier to another.

Subpart B—Definitions

§ 660.51 General definitions.

"Act" means the Emergency Petroleum Allocation Act of 1973, the Federal Energy Administration Act of 1974, and the Economic Stabilization Act of 1970, as amended, as appropriate.

"Adjusted base period volume" means base period volume as adjusted pursuant to § 660.106.

"Administrator" means the Secretary of the Department of Consumer Affairs or his delegate.

"Allocable supply" means allocable supply as defined in § 660.103(b) (1).

"Allocation fraction" means allocation fraction as defined in § 660.103(b).

"Allocation period" means a period corresponding to a base period.

"ASTM" means American Society for Testing Materials.

"Assignment" means an action designating that an authorized purchaser be supplied a specified or unspecified volume of a specified petroleum product by a specified supplier.

"Base period" means:

(a) For motor gasoline and middle distillates, the month of 1972 corresponding to the current month; and

(b) For propane and butane, the month of 1973 corresponding to the current month.

"Base period use" means base period volume or adjusted base period volume.

"Branded independent marketer" means a firm which is engaged in the marketing or distributing of refined petroleum products pursuant to:

(a) An agreement or contract with a refiner (or a firm which controls, is controlled by, or is under common control with such refiner) to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner (or any such firm); or

(b) An agreement or contract under which any such firm engaged in the marketing or distributing of refined petroleum products is granted authority to occupy premises owned, leased, or in any way controlled by a refiner (or firm which controls, is controlled by, or is under common control with such refiner), but which is not affiliated with, controlled by, or under common control with any refiner (other than by means of a supply contract, or an agreement

or contract described in paragraph (a) or (b) of this definition), and which does not control such refiner.

"Butane" means the chemical C_4H_{10} in its commercial forms, including both normal butane and isobutane, their mixtures and mixtures of butane and propane containing ten (10) percent by weight or less of propane. Included within the definition of butane is the butane content of other mixtures in which either or both butane isomer constitute greater than ten (10) percent by weight.

"Commonwealth" means the Commonwealth of Puerto Rico.

"DOCA" means the Department of Consumer Affairs of the Commonwealth.

"End-user" means any firm which is an ultimate consumer of a petroleum product in the Commonwealth other than a wholesale purchaser-consumer.

"Ethane" means a hydrocarbon whose chemical composition is C_2H_6 .

"Exporter" means any firm which owns at the last place of storage in the Commonwealth any petroleum product leaving the Commonwealth, provided, however, that a commercial fisherman whose primary harbor is in the Commonwealth, and a commercial freighter engaged in the business of transporting cargo between points in the Commonwealth or to or from the Commonwealth is not an exporter of a petroleum product it purchases for use as fuel in that freighter.

"FEA" means the Federal Energy Administration or its delegate or its predecessor.

"Firm" means any association, company, corporation, estate, individual, joint-venture, partnership, or sole proprietorship or any other entity however organized including charitable, educational, or other eleemosynary institutions, and the Federal Government including corporations, departments, Federal agencies, and other instrumentalities, or local government units *Provided*, That such entity or entities are located or doing business in the Commonwealth. The DOCA may, in regulations and forms issued in this part, treat as a firm: (a) A parent and the consolidated and unconsolidated entities (if any) which it directly or indirectly controls, (b) a parent and its consolidated entities, (c) an unconsolidated entity, or (d) any part of a firm.

"Importer" means any firm that owns at the first place of storage any petroleum brought into the Commonwealth and includes petroleum product brought into the Commonwealth from the mainland.

"Independent marketer" means either a branded independent marketer or a non-branded independent marketer.

"LPG" means liquefied petroleum gas, and includes propane and butane, and propane/butane mixes, but not ethane.

"Middle distillate" means any derivatives of petroleum including kerosene, home heating oil, range oil, stove oil, and diesel fuel, which have a fifty (50) percent boiling point in the ASTM D-86 standard distillation test falling between

371° and 700° F. Products specifically excluded from this definition are kerosene-base and naphtha-base jet fuel, heavy fuel oils as defined in VV-F-815C or ASTM D-396, grades #4, 5, and 6, intermediate fuel oils (which are blends containing #6 oil), and all specialty items such as solvents, lubricants, waxes and process oil.

"Motor gasoline" means a mixture of volatile hydrocarbons, suitable for operation of an internal combustion engine, whose major components, are hydrocarbons with boiling points ranging from 140° to 390° F and whose source is distillation of petroleum and cracking, polymerization, and other chemical reactions by which the naturally occurring petroleum hydrocarbons are converted to those that have superior fuel properties.

"Nonbranded independent marketer" means a firm which is engaged in the marketing or distribution of refined petroleum products, but which:

- (a) Is not a refiner;
- (b) Is not a firm which controls, is controlled by, is under common control with, or is affiliated with a refiner (other than by means of a supply contract); and
- (c) Is not a branded independent marketer.

"Petroleum product" means propane, butane, motor gasoline and middle distillate.

"Prime supplier" means any supplier which makes the first sale of a petroleum product in the Commonwealth. In the case of an imported petroleum product, the first sale is the sale by the importer.

"Propane" means the chemical C_3H_8 in its commercial forms including propane-butane mixes and the propane and other mixtures in which propane constitutes greater than ten (10) percent of the mixture by weight.

"Propane-butane mix" means any mixture consisting exclusively of propane and butane which contains greater than (10) percent by weight.

"Purchaser" means a wholesale purchaser, an end-user, or both, but does not include an exporter.

"Refined petroleum product" means gasoline, kerosene, middle distillate (including number 2 fuel oil), LPG, refined lubricating oils, or diesel fuel.

"Refiner" means those firms which own, operate or control the operations of one or more industrial plants, regardless of capacity, processing crude oil feedstock or refined petroleum products and manufacturing propane, butane, motor gasoline, middle distillate or residual fuel oil.

"Residual fuel oil" means the fuel oils commonly known as: (a) No. 4, No. 5 and No. 6 fuel oils; (b) Bunker C; (c) Navy Special Fuel Oil; (d) crude oil when burned directly as a fuel; and all other fuel oils which have a fifty (50) percent boiling point over 700° F in the ASTM D-86 standard distillation test.

"Retail sales outlet" means a site on which a supplier maintains an on-going

business of selling any petroleum product to end-users or wholesale purchaser-consumers.

"Set-aside volume" means with respect to a particular prime supplier, the amount calculated pursuant to § 660.110 (c) (1).

"Supplier" means any firm located or doing business in the Commonwealth, which presently, during the base period or during any period between the base period and the present supplies, sells, transfers or otherwise furnishes (as by consignment) any petroleum product to wholesale purchasers, end-users or exporters. Supplier includes but is not limited to refiner, importer, exporter, reseller, jobber, and retailer.

"Supply obligation" means supply obligation as defined in § 660.103(b) (2).

"Wholesale purchaser" means a wholesale purchaser-reseller (other than an exporter) or a wholesale purchaser-consumer, or both.

"Wholesale purchaser-consumer" means any firm that is an ultimate consumer in the Commonwealth, which, as part of its normal business practices, purchased or obtained in any completed calendar year subsequent to 1971 more than 24,000 gallons of a petroleum product from a supplier and received delivery of that product into a storage tank substantially under the control of that firm at a fixed location in the Commonwealth.

"Wholesale purchaser-reseller" means any firm which purchases, receives through transfer, or otherwise obtains (as by consignment) a petroleum product and resells or otherwise transfers it to other purchasers in the Commonwealth without substantially changing its form.

Subpart C—General Allocation Rules

§ 660.101 Applicability.

This subpart applies to each petroleum product sold for use within the Commonwealth after 11:59 p.m., October 31, 1974, and to each firm which refines, imports, exports, purchases or sells petroleum products in the Commonwealth.

§ 660.102 Supplier/purchaser relationships.

(a) *Supplier/wholesale purchaser relationship.* Each supplier of a petroleum product shall supply all wholesale purchasers which purchased or obtained that petroleum product from that supplier during the base period as specified in the provisions of this part or as otherwise ordered by the DOCA.

(b) *Changes in ownership or brand.* The supplier/purchaser relationship required by this part shall not be altered by (1) changes in the ownership or right to possession of the real property on which a wholesale purchaser maintains its on-going business or end use; or (2) changes in the brand or franchise under which a wholesale purchaser-reseller maintains its on-going business.

(c) *New relationships.* (1) Suppliers shall not supply new wholesale purchasers except in accordance with § 660.105(d).

(2) New suppliers shall not supply wholesale purchasers or end-users except in accordance with § 660.103(d).

(d) *Dual capacities.* A supplier may also act in the capacity of a wholesale purchaser, an importer, an exporter, or an end-user. A wholesale purchaser may act in the capacity of both a wholesale purchaser-reseller and wholesale purchaser-consumer. A firm which is acting in one or more different capacities shall comply with the appropriate regulations governing each capacity in which it acts.

§ 660.103 Supplier's method of allocation.

(a) *General.* (1) Subject to the pre-notification provisions in subpart E, suppliers of petroleum products shall allocate all of their allocable supply in accordance with the provisions of this section. Each supplier shall determine its allocation fraction pursuant to the provisions of paragraph (b) of this section. Suppliers shall then allocate to purchasers in accordance with the provisions of paragraph (c) of this section. The method of allocation for new suppliers is specified in paragraph (d) of this section. Suppliers with allocation fractions less than one (1.0) must act in accordance with the provisions of paragraph (e) of this section while suppliers with allocation fractions equal to or greater than one (1.0) must act in accordance with the provisions of paragraph (f) of this section. Suppliers, other than new suppliers, which in a particular base period have no supplier/purchaser relationships must act in accordance with the provisions of paragraph (g) of this section.

(2) For purposes of defining a supplier in this part, a firm shall mean the parent and the consolidated and unconsolidated entities (if any) which it directly or indirectly controls.

(b) *Allocation fraction.* Each supplier shall determine a single allocation fraction for each petroleum product prior to making any allocation. A supplier's allocation fraction for any allocation period for a petroleum product shall be equal to its allocable supply of that product, which is defined in paragraph (b)(1) of this section, for that period divided by its supply obligation for all levels of distribution, which is defined in paragraph (b)(2) of this section.

(1) *Allocable supply.* Each supplier's allocable supply of a petroleum product for an allocation period shall be equal to its total supply for that period, which is the sum of its estimated production, including amounts received under processing and exchange agreements, imports, purchases and any reduction in inventory of that petroleum product made pursuant to § 660.9 except as otherwise ordered by DOCA; less (i) any amounts designated as set-aside pursuant to § 660.110; (ii) any amount supplied to customers through exchange agreements; and (iii) any amount in excess of the amount sold for use within the Commonwealth of Puerto Rico in the 1973 period corresponding to the allo-

cation period unless otherwise ordered by the DOCA pursuant to § 660.9. Any existing inventory, production, importation or purchase of a petroleum product used to increase that inventory consistent with the provisions of § 660.9 shall not be included in the allocable supply of that product.

(2) *Supply obligation.*—(i) *General.* A supplier's supply obligation of a particular petroleum product is the sum of (A) the amounts of its wholesale purchasers' base period volumes, as adjusted pursuant to § 660.106, which were supplied by the supplier during the appropriate base period *Provided*, That the purchaser is still in business or continues to use the product for the same purposes for which it was purchased in the base period; (B) the amounts of adjusted base period volumes of new wholesale purchasers which are assigned to or accepted by the supplier in accordance with the provisions of § 660.105; and (C) the amount equal to its total sales to end-users during that base period. Base period volume is defined below.

(ii) *Base period use.* Base period use means base period volume or adjusted base period volume as appropriate. A wholesale purchaser's base period volume of a particular petroleum product is the volume of that petroleum product purchased or obtained during the appropriate base period as determined in accordance with § 660.105(c) or the base period volume as adjusted pursuant to § 660.106. Base period volume, however, does not include amounts of a petroleum product obtained pursuant to in kind exchange agreements involving a single product which are normal business operating procedures except the difference between the total amounts received under exchange agreements and the total amounts supplied to customers through exchange agreements. In the case of a new wholesale purchaser, base period volume means the volume assigned or agreed to pursuant to § 660.105(d). Adjustments to base period volumes shall be made in accordance with the provisions of § 660.106.

(c) *Allocation by suppliers to wholesale purchasers and end-users.*—(1) *Wholesale purchasers.* A supplier shall allocate to each of its wholesale purchasers a volume of a petroleum product equal to the product of that supplier's allocation fraction multiplied by an amount equal to that wholesale purchaser's base period use.

(2) *End-users.* Suppliers shall allocate equitably among end-users, a volume of petroleum product equal to the product of that supplier's allocation fraction multiplied by an amount equal to its total sales to end-users in the appropriate base period or adjusted base period.

(d) *New supplier.* (1) A supplier which was not a base period supplier but was a supplier prior to January 15, 1974 shall supply in accordance with the provisions of this section, (i) wholesale purchasers which it supplied as of January 15, 1974 and which have no base period

supplier; (ii) any purchasers assigned by DOCA; (iii) new wholesale purchasers acquired after January 15, 1974 in accordance with the provisions of § 660.105; and (iv) to the maximum extent possible, end-users.

(2) A supplier which was not a supplier prior to January 15, 1974 shall be considered to have no supply obligation and shall not allocate supplies to any purchaser without DOCA approval.

(3) Notwithstanding any other provision of paragraph (d) of this section, a supplier which was not a base period supplier but which is a supplier on October 31, 1974 shall for the allocation periods which includes the months of November and December, supply the wholesale purchasers assigned by the FEA prior to October 31, 1974.

(e) *Allocation fractions less than one.* (1) When a supplier's allocation fraction is less than one (1.0), a supplier shall reduce, on a pro rata basis, the amounts supplied to end-users and wholesale purchasers.

(2) Subject to the requirements of paragraph (c)(2) of this section, any supplier whose allocation fraction is less than one (1.0) and whose wholesale purchasers either have not purchased or have notified the supplier of their intent not to purchase the volume of petroleum product calculated pursuant to paragraph (c)(1) of this section by the end of the current allocation period may report and dispose of such volumes in accordance with the provisions of paragraph (f)(2)(i) of this section.

(f) *Allocation fractions equal to or greater than one.* (1) In allocating allocable supplies of any petroleum product among wholesale purchasers and end-users no supplier may use an allocation fraction greater than one (1.0). If a supplier's allocable supply is of sufficient magnitude that the allocation fraction exceeds one (1.0), the supplier shall make allocations based on an allocation fraction of one (1.0), and shall comply with the provisions of paragraph (f)(2) of this section.

(2)(i) Each prime supplier and each supplier of unleaded gasoline shall report the volume of surplus petroleum product remaining in allocable supply to the DOCA in accordance with the provisions of §§ 660.152 and 660.153. The DOCA may direct that the petroleum product be distributed among other suppliers, sold to designated wholesale purchasers or end-users, be distributed to the reporting supplier's purchasers on a pro rata basis, be accumulated in inventory, or be added to the supplier's set-aside volume. If the reporting supplier is not notified to the contrary by the DOCA within fifteen (15) days after filing of its report with the DOCA, he may distribute these volumes at his discretion; provided however, that the supplier maintains adequate records to allow DOCA, upon request, to ascertain the disposition of the surplus product.

(ii) A supplier (other than a prime supplier or a supplier of unleaded gasoline) may distribute its surplus petroleum product remaining in allocable supply at its discretion.

(3) Notwithstanding the provisions of paragraphs (e) (2) or (f) (2) of this section, no supplier shall supply and no end-user or wholesale purchaser-consumer shall accept quantities of a petroleum product which exceed one hundred (100) percent of that end-user or wholesale purchaser-consumer's current requirements, unless directed by DOCA.

(g) *Suppliers without wholesale purchasers or end-users.* A supplier such as an exporter which was in existence prior to January 15, 1974 but which in a particular base period has no supplier/purchaser relationships established pursuant to § 660.102, shall report its total supply to the DOCA pursuant to the provisions of § 660.153(a). Unless the supplier is notified by the DOCA to make directed sales pursuant to § 660.9, the suppliers shall allocate its petroleum products pursuant to the FEA regulations.

§ 660.104 Basis for purchaser's entitlement to allocation.

(a) *Basis of entitlement.* A wholesale purchaser shall receive an allocation based on its conduct of an on-going business in the Commonwealth or maintenance of an established end-use within the Commonwealth.

(b) *End-users and wholesale purchasers as a firm.* (1) For purposes of defining a wholesale purchaser-consumer in this part, a firm shall mean those parts of the parent and the consolidated and unconsolidated entities (if any) which it directly or indirectly controls which act as ultimate consumers in the Commonwealth including all sites, storage tanks and other facilities or entities of the wholesale purchaser-consumer that utilize or store a petroleum product in the Commonwealth.

(2) Except as provided in paragraph (b) (3) of this section, for purposes of defining a wholesale purchaser-reseller in this part, a firm shall mean all those parts of the parent and the consolidated and unconsolidated entities (if any) which it directly or indirectly controls which sell petroleum products in the Commonwealth.

(3) Each firm or part of a firm which operates an on-going business of selling motor gasoline at a retail sales outlet shall be considered a separate firm with respect to each such outlet, and therefore shall be a separate wholesale purchaser-reseller. The entity which merely holds a real property interest in a retail sales outlet on which another entity operates an on-going business shall not be considered the wholesale purchaser-reseller with respect to that outlet.

(c) *Loss of allocation entitlement for going out of business.* (1) *General.* Wholesale purchasers which have gone out of business shall not be eligible for allocations based on volumes received or purchases made prior to going out of business.

(2) *Retail sales outlets for gasoline.* For purposes of this paragraph (c) a wholesale purchaser-reseller which operates a retail sales outlet shall be deemed to have gone out of business

with respect to that outlet if it vacates the site on which it conducts such business. Notwithstanding the foregoing, an independent marketer shall not be deemed to have gone out of business if (i) the independent marketer vacates the site on which it formerly operated a retail sales outlet; (ii) the former site is closed as a retail sales outlet or is operated as such by a firm that is not an independent marketer; and (iii) the independent marketer that occupied the former site, within a reasonable time, as determined by the DOCA, re-establishes another retail sales outlet at another location serving substantially the same customers or market that was served by the former site.

(d) *Transfer of entitlement.* (1) *General.* The right to receive an allocation shall not be assignable separately but shall be considered an integral part of the on-going business or established end-use. The right to an allocation shall be deemed to have been transferred only when the entire business or activity of the firm is transferred to a successor firm.

(2) *Retail sales outlets for gasoline.* For purposes of this paragraph (d), whenever a wholesale purchaser-reseller is deemed to have gone out of business in accordance with paragraph (c) (2) of this section, the right to an allocation with respect to the retail sales outlet shall be deemed to have been transferred to its successor in the site, provided such successor establishes the same ongoing business on the site within a reasonable period of time, as determined by the DOCA, after its predecessor vacates the premises.

§ 660.105 Purchaser's allocation entitlement.

(a) *Scope.* This section describes a purchaser's allocation entitlements. Paragraph (b) of this section specifies the volumes of a petroleum product which wholesale purchasers are entitled to receive from suppliers. The method by which wholesale purchasers determine base period volumes is provided in paragraph (c) of this section. Paragraphs (d) and (e) of this section set forth procedures by which new wholesale purchasers and new importer-consumers, respectively determine their entitlements and suppliers. End-users do not have allocation entitlements. If an end-user is unable to locate a supplier or is unable to purchase a volume of a petroleum product sufficient to meet its requirements, it may petition the DOCA for relief pursuant to Part 661 of this chapter.

(b) *Entitlements: wholesale purchasers.* A wholesale purchaser shall be entitled to receive a volume of a petroleum product equal to the sum of the volumes allocable to it from each of its suppliers in the Commonwealth. The volume supplied to a purchaser by each of its suppliers in the Commonwealth shall be the product of that supplier's allocation fraction multiplied by that purchaser's base period use purchased or obtained from that supplier.

(c) *Base period volume determination.* (1) (i) By October 31, 1974, each wholesale purchaser shall certify to each of its suppliers the amount of a petroleum product purchased from that supplier and which it exported or sold for export from the Commonwealth in each base period. If a wholesale purchaser is unable to determine the supplier from which the petroleum product it exported or sold for export was purchased, the wholesale purchaser shall certify to each supplier a pro rata share of the total volume of petroleum product it exported or sold for export in each base period.

(ii) By November 4, 1974, each supplier which sells a petroleum product to a wholesale purchaser shall report to each of its wholesale purchasers with respect to each petroleum product, the volume of petroleum product it sold to or transferred to that purchaser in each base period, less any amount reported to the supplier by the wholesale purchaser pursuant to paragraph (c) (1) (i) of this section.

(2) In the event that the purchaser disagrees with the base period volume computed by its supplier, it should make application to the DOCA for a corrected base period volume pursuant to Part 661, of this chapter. Copies of the purchaser's records for base period purchases should be included with the application.

(d) *New wholesale purchasers.* (1) *Mutual arrangements.* (i) Subject to the provisions of paragraph (d) (1) (ii) of this section, a wholesale purchaser without a base period supplier or a new supplier as provided in § 660.103(d) (1) and a supplier may agree upon a proposed base period volume for the wholesale purchaser. The base period volume agreed upon shall afford the wholesale purchaser a fair and equitable volume in light of its requirements together with other relevant circumstances including the supplier's supply obligations to its other wholesale purchasers.

(ii) With respect to any arrangement made pursuant to paragraph (d) (1) (i) of this section, the supplier must notify the DOCA of the name of the wholesale purchaser, the proposed base period volume and the basis upon which the proposed base period volume was determined within ten (10) days of the making of the mutual arrangement. With respect to any existing arrangements, the supplier shall notify the DOCA of the name of the wholesale purchaser, the proposed base period volume and the basis upon which the proposed base period volume was determined within ten (10) days of the effective date of these regulations. The supplier may not provide the wholesale purchaser with petroleum products until he has so notified the DOCA of the mutual arrangement. The DOCA may assign the wholesale purchaser to another supplier and may adjust the proposed base period volume.

(2) *Assignment of supplier.* (i) Any wholesale purchaser which does not have a base period supplier, or new supplier as provided in § 660.103(d) (1), or which is unable to locate a supplier pursuant to paragraph (d) (1) of this section, and

any other wholesale purchaser which is otherwise unable to obtain sufficient supplies may petition the DOCA pursuant to Part 661 of this section, for the assignment of a supplier and a base period volume.

(ii) Any assignment of a base period volume will be deemed to have been adjusted for growth through the date of the assignment and may be adjusted thereafter under the provisions of § 660.106(b).

(iii) Any wholesale purchaser which is assigned to or accepted by the supplier under the provisions of this part shall be accepted by the supplier for the duration of the program or until otherwise directed by the DOCA.

(e) *New end-user and wholesale purchaser-consumer importer.* End-users and wholesale purchaser-consumers which have not previously imported a petroleum product or which import a petroleum product in excess of the volumes imported in the base period, must report pursuant to § 660.153(b) such imports to the DOCA within five (5) days of receipt of the petroleum product. Unless the DOCA orders a directed sale of the imported petroleum product pursuant to the provisions of § 660.9, the importer may retain the petroleum product for its own use.

§ 660.106 Adjustments to base period volumes.

(a) *Scope.* The adjustment procedures under this section are applicable to the allocation of all petroleum products. This section describes the means by which wholesale purchasers may receive adjustments to their base period volumes.

(b) *Adjustments.* (1) Suppliers shall adjust a wholesale purchaser's base period volume for gasoline or middle distillates without an application of the wholesale purchaser if the supplier's records indicate that the volume of the wholesale purchaser's purchases of that product in a 1973 period corresponding to a base period exceed the base period volume of that product. The increase to the base period volume shall be calculated as the difference between the volume purchased in the 1973 period corresponding to a base period, and the volume purchased in the base period.

(2) Any wholesale purchaser of any petroleum product may apply to the DOCA pursuant to Part 661 of this chapter for an adjustment to a base period volume for changed circumstances or growth pursuant to forms and instructions issued by the DOCA. Such adjustments shall be based upon applications which are fully supported by detailed facts, figures and other relevant documentation.

§ 660.107 Allocation of unleaded gasoline.

(a) *General.* All the provisions of this part shall apply to all substances meeting the definition of motor gasoline, including leaded and unleaded gasoline, without regard to the different charac-

teristics of those substances except as provided in this section.

(b) *Definitions.* For purposes of this section—

"Allocation entitlement" for a wholesale purchaser means its allocation entitlement as described in § 660.105.

"Allocation ratio" means that ratio of a supplier's total supply of unleaded gasoline to the supplier's total supply of motor gasoline (leaded and unleaded).

"Unleaded gasoline" means unleaded gasoline as defined by the Environmental Protection Agency.

(c) *Supplier/purchaser relationships.* In addition to the provisions of § 660.102, a supplier of unleaded gasoline shall further allocate unleaded gasoline in accordance with the provisions of this section to wholesale purchasers which are entitled to receive motor gasoline (whether leaded or unleaded) from that supplier without regard to whether the supplier has previously supplied unleaded gasoline to that purchaser.

(d) *Method of allocation for unleaded gasoline.* (1) For each allocation period each supplier shall make available to each of its wholesale purchasers of motor gasoline a volume of unleaded gasoline which bears the same ratio to that purchaser's allocation entitlement as the supplier's allocation ratio for that period. Suppliers may refuse to supply unleaded gasoline to any wholesale purchaser-reseller which does not have facilities suitable for the storage and delivery of unleaded gasoline, as required by the provisions of 40 CFR Chapter I, Part 80, Subpart B.

(2) No purchaser may be required to accept any quantity of unleaded gasoline in lieu of part or all of its allocation entitlement to motor gasoline for a period which corresponds to a base period.

(3) (i) After its initial offer of unleaded gasoline pursuant to paragraph (c) (1) of this section a supplier shall offer any of its supply of unleaded gasoline which remains only to purchasers which are entitled to receive motor gasoline from that supplier and which desire to purchase unleaded gasoline. New car dealers, fleet owners or operators, or any other wholesale purchaser-consumers which require unleaded gasoline as a greater proportion of their allocation entitlement than the supplier's allocation ratio shall have first priority to any such additional quantities of unleaded gasoline.

(ii) Any supplier with a motor gasoline allocation fraction less than or equal to one (1.0) which has a supply of unleaded gasoline that none of its purchasers entitled to receive motor gasoline from that supplier desire to purchase shall notify the DOCA and may dispose of such supply in accordance with the provisions of § 660.103(f) (2) (i).

(4) The total volume of leaded and unleaded gasoline which a supplier allocates to a purchaser for an allocation period shall equal the total amount of motor gasoline which the supplier could otherwise allocate to that purchaser pursuant to this part without regard to the provisions of this section.

(5) Any purchaser which has been notified that its supplier will not supply it with unleaded gasoline and which with reasonable diligence cannot otherwise obtain a supply of unleaded gasoline under the provisions of this part, may apply to the DOCA pursuant to Part 661 for an assignment of a supplier of unleaded gasoline.

(6) DOCA may require recipients of assigned quantities of unleaded gasoline to provide leaded gasoline in exchange for the assigned product.

(e) *Prime suppliers.* Prime suppliers shall make available in their set-aside a ratio of unleaded gasoline to all motor gasoline equal to their allocation ratio.

(f) *Relationship to EPA regulations.* Nothing in this section shall be interpreted to supersede any regulation concerning unleaded gasoline issued by the Environmental Protection Agency, or any regulation issued by the DOCA concerning gasoline.

§ 660.110 Set-aside system.

(a) *Purpose and scope.* The DOCA shall establish and administer a set-aside system for all petroleum products. The set-aside shall be utilized by the DOCA in making assignments and in meeting hardship and emergency requirements of all wholesale purchasers and end-users.

(b) *Definitions.* For purposes of this section—"Percentage set-aside level" means:

- (1) for gasoline, three (3%) percent;
- (2) for propane, three (3%) percent;
- (3) for butane, one (1%) percent;
- (4) for middle distillates, four (4%) percent; and
- (5) for residual fuel oil, three (3%) percent.

(c) *Prime suppliers—(1) Calculation of set-aside volume.* The set-aside volume of a prime supplier of a particular petroleum product shall be calculated by multiplying the prime supplier's estimated allocable supply for the forthcoming allocation period in its capacity as a prime supplier by the percentage set-aside level for that product.

(2) *Reports of set-aside volumes.* Fifteen (15) days prior to the beginning of each allocation period each prime supplier shall calculate its set-aside volume for each petroleum product for the forthcoming allocation period and shall report pursuant to § 660.152 the volume and calculations according to forms and instructions issued by the DOCA.

(3) *Sales of set-aside volumes.* A prime supplier must sell a petroleum product from the set-aside volume for a particular month within three (3) working days of presentation by a wholesale purchaser or end-user, of an order of the DOCA issued pursuant to Part 661. No other sale may be made from the set-aside volume. The petroleum product remaining in a prime supplier's set-aside volume at the end of a particular allocation period shall become part of that supplier's total supply for the subsequent allocation period and shall be distributed according to the procedures set forth in this part.

(d) *DOCA orders.* If the DOCA approves a hardship or emergency petition submitted by a wholesale purchaser or end-user pursuant to the provisions of Part 661 of this chapter, it shall issue to the petitioner a written order to purchase a specified volume from the set-aside volume of a specified prime supplier.

(e) *Changes in percentage set-aside levels.* The Administrator may alter the percentage set-aside level for a particular petroleum product for a particular allocation period through the issuance of an order fifteen (15) days prior to the beginning of that allocation period.

§ 660.114 Energy conservation.

Unless otherwise ordered for good cause shown, no wholesale purchaser or end-user shall receive an allocation pursuant to the procedures of Part 661 of this chapter unless he shall have certified that he has in effect an energy conservation program consistent with the conservation program of the Commonwealth.

Subpart D—Reporting and Recordkeeping

§ 660.151 Initial reports.

(a) By November 15, 1974, each supplier shall report to the DOCA consistent with forms and instructions issued by the DOCA the following information concerning each petroleum product:

- (1) Name and address of supplier;
- (2) Total sales volume (including internal transfers and volume of its own end-use) for each completed period of 1972, 1973 and 1974 corresponding to a base period; and
- (3) The percentage of total sales volume and actual sales volume exported or sold for export for each completed period of 1972, 1973 and 1974 corresponding to a base period.

(b) Notwithstanding the provisions of paragraph (a) of this section, information filed in accordance with Regulation No. 41 of the DOCA need not be repeated.

§ 660.152 Periodic reports.

(a) Except as provided in paragraph (b) of this section, each supplier must file a report for each petroleum product for each allocation period beginning with the allocation period including November 1974 which sets forth the (1) estimated allocable supply, (2) estimated set-aside volume, and (3) the estimated volume of surplus product subject to § 660.103 (e) (2) or (f) (2). The report, consistent with forms and instructions issued by the DOCA, must be filed with the DOCA fifteen (15) days prior to the beginning of each allocation period; except however, the report for the allocation period including November must be filed by November 1, 1974.

(b) The reporting requirement of paragraph (a) of this section does not apply to:

(1) A supplier to the extent he is subject to § 660.103(g), *Provided, however*, That the supplier makes reports pursuant to § 660.153.

(2) Sales by a supplier which sells exclusively to end-users.

§ 660.153 Other reports.

(a) *Suppliers without base period supplier/purchaser relationships.* Each supplier subject to § 660.103(g) must file a report for each petroleum product for each allocation period beginning with the allocation period including November 1974. The report, consistent with forms and instructions issued by the DOCA must be filed with the DOCA fifteen (15) days prior to the beginning of each allocation period; except however, the report for the allocation period including November 1974, must be filed by November 1, 1974. The report for each petroleum product shall contain the following information concerning the next allocation period:

- (1) Name and address of the supplier submitting the report;
- (2) Total estimated inventory;
- (3) Estimated volume of exports; and
- (4) Estimated volume which it will consume in its capacity as an end-user or wholesale purchaser-consumer.

Pursuant to the provisions of § 660.9 the DOCA may order a directed sale of such petroleum product.

(b) *End-user and wholesale purchaser-consumer importers.* Each end-user and wholesale purchaser-consumer which imports a petroleum product in excess of the volume imported during the base period, and each end-user and wholesale purchaser-consumer which did not import a petroleum product prior to January 1, 1974, must report to the DOCA within five (5) days of receipt of that imported petroleum product on forms and instructions issued by the DOCA. These reports shall contain the following information:

- (1) Name and address of supplier submitting the report;
- (2) The volume received, point of origin, and seller of the imported petroleum product;
- (3) The intended use of the import;
- (4) The base period volume, current requirements, and the amount purchased or expected to be purchased from suppliers subject to this part in the most recently completed, the current, and the next allocation period; and
- (5) The volume of imported petroleum product anticipated to be received in the next allocation period.

Pursuant to the provisions of § 660.9 the DOCA may order the directed sale of such a petroleum product.

(c) *Duplication of information.* Notwithstanding the provisions of paragraphs (a) and (b) of this section, information filed in accordance with Regulation No. 41 of the DOCA need not be repeated.

(d) *Surplus product reports.* Each supplier of surplus product subject to the provisions of § 660.103(e) (2) or (f) (2) which is not reported pursuant to § 660.152(a), shall be reported to the DOCA within five (5) days of the supplier's determination of such surplus product.

(e) *Additional reports.* Whenever the DOCA considers it necessary for the effective administration of the program

it may order any firm to file special or separate reports, setting forth information relating to the DOCA regulations in addition to any other report required by this part.

§ 660.154 Recordkeeping requirements.

(a) *General.* Each firm subject to this part shall keep such records that serve as source for the information submitted under this part.

(b) *Inspection.* Records required to be kept under paragraph (a) of this section, shall be made available for inspection at any time upon the request of a representative of the DOCA.

(c) *Justification.* Upon the request of a representative of the DOCA any supplier which has filed a notice of a proposed method of allocation or makes a sale subject to the allocation regulations of this part shall:

(1) Specify the records that it is maintaining to comply with this paragraph; and

(2) Justify that action pursuant to the allocation provisions of this part.

(d) *Period for keeping records.* Each firm required to keep records under this paragraph shall maintain and preserve those records for at least four (4) years after the last day of the calendar year in which the transaction or other events recorded in the record occurred or the property was acquired by that firm whichever is later.

Subpart E—Prenotification

§ 660.181 Implementation of prenotification.

(a) Upon a finding by the DOCA that the purposes and goals of the allocation program and the Act would be furthered by prenotification of the proposed method of allocation of each petroleum product by each supplier, the DOCA shall issue an order requiring prenotification pursuant to the provisions of this subpart.

(b) The provisions of this subpart are not effective unless implemented by a DOCA order.

§ 660.182 Prenotification.

(a) *Prenotification requirement.* Except as provided in paragraph (b) of this section, each supplier shall file a notice of the proposed method of allocation for each petroleum product with the DOCA fifteen (15) days prior to the beginning of the allocation period in which the proposed sales are to be made.

(b) *Waiver of prenotification.* The prenotification requirements of paragraph (a) of this section do not apply to:

(1) A supplier to the extent he is subject to § 660.103(g), *Provided, however*, That the supplier makes periodic reports pursuant to § 660.153.

(c) *Notification to wholesale purchaser-resellers.* Eighteen (18) days prior to the beginning of each allocation period each supplier shall notify each of its wholesale purchaser-resellers in writing of its allocation entitlement for the next allocation period. Notification will not be considered to have been made until it is

received by the wholesale purchaser-reseller.

§ 660.183 Manner of prenotification.

The notice of the proposed method of allocation must be filed with the DOCA by each supplier for each petroleum product in accordance with forms and instructions issued by the DOCA.

§ 660.184 Measure of the prenotification period.

The fifteen (15) day prenotification period will begin on the first day following the date of filing of the proposed allocation method which is not a Friday, Saturday or Sunday.

§ 660.185 DOCA action.

(a) During the fifteen (15) day prenotification period the DOCA may issue an order disapproving, modifying, or suspending a proposed allocation plan in whole or in part.

(1) The DOCA may issue an order disapproving or modifying a proposed allocation plan in whole or in part if it finds:

(i) That the proposed method of allocation does not conform to the rules of this part;

(ii) That if allocation were made pursuant to the plan submitted undue hardship or inequity would result to a particular sector of the economy, or it would be unreasonably inconsistent with the purposes and goals of the Act or regulations; or

(iii) That area imbalances would result due to weather variation, seasonal demand, or other circumstances beyond the control of the sellers or purchasers.

(2) The DOCA may issue an order temporarily suspending the running of the fifteen (15) day prenotification period if it finds that additional information is necessary or that the form was improperly filed.

(b) The DOCA may issue an order directing the surplus product reported pursuant to the provisions of § 660.103(f) be sold to a particular supplier, wholesale purchaser or end-user, be added to the supplier's set-aside volume, or be held in inventory for a specified period of time, in order to meet the purpose and goals and objectives of the Act or regulations.

§ 660.186 Implementation of proposed allocation plan.

(a) If the DOCA does not act upon the proposed allocation plan pursuant to § 660.185 and prior to the first day of the allocation period the plan may be implemented upon the first day of the allocation period.

(b) If the DOCA does not act pursuant to § 660.185 concerning surplus product reported pursuant to § 660.183 the surplus may be sold for consumption in the Commonwealth to any purchaser, at the discretion of the supplier.

(c) Failure of the DOCA to act upon the proposed method of allocation prior to the first day of the allocation period does not constitute approval of the proposal, and nothing in this part shall be construed to limit the authority of the DOCA to modify, suspend or disapprove

the continuation of the proposed plan in whole or in part, if the DOCA finds that:

(1) The plan does not conform to the rules of this part; or

(2) The plan would result in undue hardship or inequity to a particular firm or to a particular sector of the economy of the Commonwealth or would be unreasonably inconsistent with the purpose and goals of the Act or the DOCA.

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Title 12—Banks and Banking

CHAPTER II—FEDERAL RESERVE SYSTEM

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[REG. A]

PART 201—EXTENSIONS OF CREDIT BY FEDERAL RESERVE BANKS

Advances to Member Banks

The Board of Governors has amended § 201.3(b) of its Regulation A (12 CFR 201.3(b)) to modify the authority of Federal Reserve Banks to make advances to member banks on the security of residential mortgages. This action was taken pursuant to the Board's authority to prescribe rules and regulations under section 10(b) of the Federal Reserve Act (12 U.S.C. 347(b)) and Pub. L. 93-449, the Emergency Home Purchase Act of 1974, which recently amended that section of the Act.

The effect of the regulatory amendment is to make the rate on advances secured by one-to-four family mortgages the same as the basic discount rate applicable to loans secured by eligible collateral as defined in the Federal Reserve Act. Advances secured by such mortgages were formerly made at a rate at least one-half of one percentage point above the basic discount rate.

There was no notice, public participation, and deferred effective date with respect to this amendment because the Board determined that such procedure would result in delay that would be contrary to the public interest and serve no useful purpose. See § 262.2(e) of the Board's rules of procedure (12 CFR § 262.2(e)).

Effective immediately, the Board has amended § 201.3(b) of its regulation A (12 CFR 201) to read as follows:

§ 201.3 Advances to member banks.

(b) *Advances on other security.* A Reserve Bank may make advances to a member bank for not more than four months if secured to the satisfaction of the Reserve Bank, whether or not secured in conformity with § 201.3(a), but the rate on such advances shall be at least one-half of one percent per annum higher than the rate applicable to advances under § 201.3(a). *Provided, however,* That advances under this paragraph, when secured by mortgages on one-to-four family residential property, shall be at a rate equal to the rate applicable to advances made under § 201.3(a).

By order of the Board of Governors,
October 25, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary
of the Board.

[FR Doc.74-25777 Filed 11-4-74;8:45 am]

**Title 14—Aeronautics and Space
CHAPTER II—CIVIL AERONAUTICS
BOARD**

[Reg. ER-881; Amdt. 32]

**PART 288—EXEMPTION OF AIR CARRIERS
FOR MILITARY TRANSPORTATION**

Fuel Surcharge Provisions

In accordance with established procedures and methodology, the Board having completed its review of commercial fuel prices for foreign and overseas MAC air transportation services as of October 1, 1974, is herein amending the surcharge provisions in Part 288 of its Economic Regulations (14 CFR Part 288) applicable to the rates established for those services.¹ As described below, separate surcharges will be established for the period October 1 through October 28, and for the period beginning October 29.

October 1-28 surcharge. We have compared fuel-price information reported as of October 1, 1974 with the base-period fuel costs for the year ended December 31, 1973. Based on the computations set out in Appendices A and B,² we will amend the fuel surcharge rates effective for the period October 1 through October 28 as follows: the long-range Category B and Category A rate from 11.39 to 11.30 percent, the Pacific interisland short-range Category B rate from 2.52 to 2.53 percent, and the "all other" short-range Category B rate from 4.97 to 5.31 percent.

Surcharge for period beginning October 29. By ER-879, October 22, 1974, the Board adopted revised interim rates, based upon a review of the carriers' reported operating results for fiscal year 1974 MAC operations, to be effective prospectively from October 29, 1974. The substitution of fiscal year 1974 for calendar 1973 as the base period for interim rate purposes requires a corresponding adjustment of the surcharge rates, since the surcharge is based upon reported fuel-price changes as of the first of each month compared with the average price of fuel consumed in the base period.

Appendices C and D³ set forth the results of our comparison of reported fuel price changes as of October 1, with base-period fuel costs for fiscal year 1974 operations. Based upon these computations, we will revise the surcharge rates adopted above effective on and after October 29, 1974, as follows: the long-range Category B rate and Category A rate from 11.30 to 5.73 percent, the Pa-

¹ See ER-879 October 22, 1974, and ER-867 July 31, 1974.

² Appendices A and B filed as part of original document.

³ Appendices C and D filed as part of original document.

cific interisland short-range Category B rate from 2.53 to 1.53 percent, and the "all other" short-range Category B rate from 5.31 to 3.18 percent. In accordance with established procedure, these surcharge rates will be effective as final rates through October 31, and become temporary rates on and after November 1, 1974, subject to adjustment either upward or downward, based upon our review of reported fuel-price changes as of November 1.

For the reasons set forth above and consistent with established procedure, we find good cause exists to make the within final and temporary rates effective on less than thirty (30) days' notice.

In consideration of the foregoing, the Board hereby amends Part 288 of its Economic Regulations (14 CFR Part 288) as follows:

1. Amend § 288.7(a)(1) by amending the second proviso following the tables, and by amending the proviso of paragraph (d) to read as follows:

§ 288.7 Reasonable level of compensation.

(a) * * *

(1) * * *; And, Provided further, That (i) effective October 1 through October 28, 1974, the total minimum compensation pursuant to the rates specified in paragraph (a)(1) of this section for (a) services performed with regular jet, wide-bodied jet, and DC-8F-61-63 aircraft, (b) Pacific interisland services performed with B-727 aircraft shall be further increased by surcharges of 11.30 percent, 2.53 percent and 5.31 percent, respectively; (ii) effective October 29 through October 31, 1974, the total minimum compensation pursuant to the rates specified in paragraph (a)(1) of this section for (a) services performed with regular jet, wide-bodied jet, and DC-8F-61-63 aircraft, (b) Pacific interisland services performed with B-727 aircraft, and (c) all other services performed with B-727 aircraft shall be further increased by surcharges of 5.73 percent, 1.53 percent and 3.18 percent, respectively; and (iii) on and after November 1, 1974, the total minimum compensation pursuant to the rates specified in paragraph (a)(1) of this section for (a) services performed with regular jet, wide-bodied jet, and DC-8F-61-63 aircraft, (b) Pacific interisland services performed with B-727 aircraft, and (c) all other services performed with B-727 aircraft shall be further increased by temporary surcharges of 5.73 percent, 1.53 percent, and 3.18 percent, respectively, subject to amendment (upward or downward) upon final determination by the Board.⁴

(d) For Category A transportation * * *

(2) * * *

Provided, however, That (i) effective October 1 through October 28, 1974, the

⁴ The surcharge provisions for services performed with B-727 aircraft will be applied to all other common-rated aircraft types.

total minimum compensation specified in paragraph (d)(1) and (2) of this section shall be further increased by a surcharge of 11.30 percent; (ii) effective October 29 through October 31, 1974, the total minimum compensation specified in paragraph (d)(1) and (2) of this section shall be further increased by a surcharge of 5.73 percent; and (iii) on and after November 1, 1974, the total minimum compensation specified in paragraph (d)(1) and (2) of this section shall be further increased by a temporary surcharge of 5.73 percent, subject to amendment (upward or downward) upon final determination by the Board.

(Sec. 204, 403 and 416 of the Federal Aviation Act of 1958, as amended; 72 Stats. 743, 758 and 771, as amended; (49 U.S.C. 1324, 1373 and 1386))

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

[FR Doc. 74-25806 Filed 11-4-74; 8:45 am]

Title 15—Commerce and Foreign Trade CHAPTER III—DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION, DEPARTMENT OF COMMERCE EXPORT LICENSES AND OTHER PROCEDURES

Miscellaneous Amendments

Simplification of export license transfer procedure. The provisions of the Export Administration Regulations relating to transfer of licenses to another party have been revised to simplify Office of Export Administration requirements. Exporters may now submit a single request to transfer five or more licenses and individual requests to transfer less than five licenses. Previously, a single request was limited to fifteen or more licenses and individual requests were necessary to transfer less than fifteen licenses.

The single request to transfer five or more licenses shall be submitted by letter in accordance with the provisions of § 372.13(c)(2); the individual requests for transfer of less than five licenses are to be submitted on separate Forms IA-763, Request For and Notice of Amendment Action, in accordance with the provisions of § 372.13(c)(1).

Effective date of action: November 1, 1974.

Accordingly, the Export Administration Regulations (15 CFR Part 372) are amended by revising paragraphs (a), (c), and (e) of § 372.13 as follows.

PART 372—INDIVIDUAL VALIDATED LICENSES AND AMENDMENTS

§ 372.13 Special provisions for transfer of licenses to another party.

(a) *Authorization.* An export license shall not be transferred from the designated licensee to any other party except by prior written authorization of the Office of Export Administration.

(c) *Information from Transferor and Form of Request.* (1) *Less than 5*

licenses. When requesting the transfer of less than 5 outstanding licenses, the original licensee shall submit:

(i) A completed Form IA-763, Request for and Notice of Amendment Action (see Supplement S-4 for facsimile), in duplicate, for each license. In the space entitled "Facts Necessitating Amendment" on Form IA-763, give the reasons for the requested transfer and state whether or not any consideration has been, or will be, paid for the transfer. Show the name and address of the proposed transferee in the space entitled "Amend License to Read as Follows";

(ii) A signed letter from the person or firm to whom the license(s) is (are) to be transferred as required by paragraph (d) of this section; and

(iii) The following certification:

The undersigned hereby certifies that, if license number(s) ---- is (are) transferred in accordance with my (our) request, any and all documents evidencing the order covered by this (these) license(s) will be made available upon demand and will be retained by me (us) for a period of two years from the time of the export from the United States, or any known reexport, transshipment, or diversion, or any other termination of the transaction whether formally in writing or by any other means, whichever is later. The undersigned will promptly report to the Office of Export Administration any material or substantive changes in the terms of the order and any other facts of the export transaction known or reported to the undersigned at any future time by any party to the export transaction.

Signature of
transferor)

(By)

(Title)

(Date)

(2) *Five or more licenses.* When a transfer would affect 5 or more outstanding licenses, the original licensee shall submit a written request, in duplicate, for such transfer containing the following information:

(i) Either a list of the case numbers and outstanding license numbers or a statement that all outstanding licenses in the name of the licensee are to be transferred, and the total number of such outstanding licenses;

(ii) A list showing the case numbers (if known), the applicant's reference numbers, and other information identifying applications pending in the Office of Export Administration that are to be transferred;

(iii) Name and address of the proposed transferee;

(iv) Facts necessitating transfer;

(v) A statement as to whether any consideration has been, or will be, paid for the transfer; and

(vi) The certification set forth in paragraph (c)(1)(iii) of this section.

(3) *Retention of licenses pending Office of Export Administration action.* Unless instructed otherwise by the OEA, the applicant will retain the license(s) pending notification by the OEA of the

action taken. If the request is approved, the transferor shall forward the license(s) to the transferee together with, or to be joined with, the pertinent validated documentation furnished by the Office of Export Administration. If the transfer request is disapproved, the license(s) shall either be returned to the Office of Export Administration or used by the original licensee if he so chooses and has retained the legal and operational capacity fully to meet the responsibilities imposed by the license.

(4) *Additional proof.* In addition to the information required under paragraph (c) (1) and (2) of this section, the original licensee must identify by name the legal document (certificate, agreement, etc.) or other authority by which the new firm name is legally established, the new corporation or firm created, or the assets transferred, showing the effective date of such document and the state where filed or recorded.

(e) *Notification of transfer.*—(1) *Less than 5 licenses.* When a request for the transfer of less than 5 outstanding licenses is approved, the Office of Export Administration will validate all copies of approved Form(s) IA-763 by imprinting, in the space entitled "Validation," a facsimile of the U.S. Department of Commerce seal followed by the letter "D" and a series of numbers indicating the year, month, and day of validation. A copy will be forwarded to the individual named in the space entitled "Return Copy of Amendment Notice To." If the request is returned without action, the reason(s) therefore will be indicated on Form IA-763A. Advice on Amendment Request Returned Without Action. All copies of Form IA-763A, plus any attachments, will be returned to the individual named in the space entitled "Return Copy of Amendment Notice To." Any transfer request returned without action may be resubmitted on the same set of Forms IA-763 where corrections or documents are required. If the changes are extensive, a complete new set of Forms IA-763 must be submitted. If a request is rejected, the reason(s) therefor will be indicated on the duplicate copy of Form IA-763, and such copy, plus any attachments, will be returned to the individual named in the space entitled "Return Copy of Amendment Notice To."

(2) *Five or more licenses.* When a request to transfer 5 or more outstanding licenses is approved, the Office of Export Administration will notify the transferor by returning to him a validated copy of his request. If a request is rejected or returned without action, the reason will be shown in a letter to the original licensee.

PART 373—SPECIAL LICENSING PROCEDURES

Addition to the lists of commodities excluded from certain special license procedures. The lists of commodities excluded from the Project License, Distribution License, Service Supply License, and Foreign-Based Warehouse License

procedures are revised to add Nuclear reactor fuel fabrication machinery and equipment, n.e.c., and specially designed parts and accessories, n.e.c. (Export Control Commodity No. 71980 (22a)).

As a result of this revision, the above commodity may no longer be exported under the Project, Distribution, Service Supply, or Foreign-Based Warehouse licensing procedures.

Effective date of action: November 8, 1974.

§ 373.4 and Supplement No. 1 [Amended]

Accordingly, the *Export Administration Regulations* (15 CFR Part 373) are amended by adding an entry numbered 71980 before the first entry under 7199 in § 373.4(b) and an entry numbered 71980 (22a) before the first entry under 7199 in Supplement No. 1 to Part 373, both entries to read as follows:

"Nuclear reactor fuel fabrication machinery and equipment, n.e.c., and specifically designed parts and accessories, n.e.c."

PART 374—REEXPORTS

Shipment of U.S.-origin commodities from a foreign country to the United States or from a foreign country to Canada. The *Export Administration Regulations* are revised to make clear that no written authorization is required for reexport of a U.S.-origin commodity from a foreign country to the United States. Also, no written authorization is required for reexport of a U.S.-origin commodity from a foreign country to Canada if the commodity could be exported from the United States to Canada without a validated license.

Effective date of action: November 1, 1974.

Accordingly, the *Export Administration Regulations* (15 CFR Part 374) are amended by adding new §§ 374.2(h) and (i) as follows:

§ 374.2 Permissive reexports.

(h) Reexports (return) to the United States of any commodity.*

(i) Reexports to Canada of any commodity if the commodity could be exported to Canada from the United States without a validated license.*

PART 375—DOCUMENTATION REQUIREMENTS

Increasing the Validity Period of the Single Transaction Statement by Consignee and Purchaser. Section 375.2(e) (6) of the *Export Administration Regulations* states that a "Single Transaction Statement by Consignee and Purchaser," Form DIB-626P or FC-842, will remain valid and may be submitted to the Office of Export Administration in support of a

*If the reexporting party requests written authorization because the government of the country from which reexport will take place requires formal U.S. Government approval, such authorizations will generally be issued.

validated license application within a period of 90 days after the date it was signed by the consignee or by the purchaser, whichever is later. The purpose of this revision is to increase the validity period of Form DIB-626P or FC-842 from the present 90 days to 180 days from the date of signature by the consignee or by the purchaser.

Effective date of action: November 1, 1974.

Accordingly, the *Export Administration Regulations* (15 CFR Part 375) are amended by revising the second sentence of § 375.2(e) (6) to read as follows:

§ 375.2 Ultimate consignee and purchaser statement.

(e) * * *

(6) * * * The period within which the statement may be submitted to the Office of Export Administration is limited to 180 days after it is signed by the consignee or by the purchaser, whichever date is later.

PART 386—SPECIAL COMMODITY POLICIES AND PROVISIONS

Shipments against expiring license. The *Export Administration Regulations* state in § 386.2(b) (1) that if commodities are laden aboard an exporting carrier or are located on a pier and are ready for lading prior to midnight of the expiration date of the license, the commodities may depart with the vessel even though the vessel does not clear until after the expiration date. This section is clarified to indicate that the procedure is applicable only if the vessel was at the pier ready for loading prior to the expiration date of the license and the cargo had been booked for that vessel.

There has been no change in the additional provision that the Office of Export Administration or the customs office may permit shipment after the expiration of a license if the vessel was scheduled to arrive on time but was delayed by exceptional and unforeseen circumstances.

Effective date of action: November 1, 1974.

Accordingly, the *Export Administration Regulations* (15 CFR Part 386) are amended by revising § 386.2(b) (1) to read as follows:

§ 386.2 Use of validated license.

(b) *Shipments against expiring license.*—(1) *Commodities ready for loading or lading.* (i) Commodities may depart with the exporting vessel even though the vessel does not clear until after the expiration of the license, provided that prior to midnight of the expiration date of the license, the commodities: (a) were laden aboard the vessel; or (b) were located on a pier ready for loading and and not for storage, and were booked for a vessel that at the pier ready for loading.

(ii) In addition, when the vessel is expected to be available at the pier for loading before the license expires, but exceptional and unforeseen circumstances delay it, the commodities may be exported without an extension of the license, if in the judgment of the customs office, or the Office of Export Administration, undue hardship would otherwise result.

PART 368—U.S. IMPORT CERTIFICATE AND DELIVERY VERIFICATION PROCEDURE

PART 372—INDIVIDUAL VALIDATED LICENSES AND AMENDMENTS

Revision in list of district offices authorized to amend export licenses and validate import certificates. The Domestic and International Business Administration, U.S. Department of Commerce, has changed the status of its office in Jacksonville, Florida from a District Office to a satellite office of the Miami, Florida District Office. Certain functions have been assumed by the Miami office, including the authority to amend export licenses and validate Import Certificates.

Therefore, exporters who would have requested amendment of a license from the Jacksonville office under the provisions of § 372.11(g) of the *Export Administration Regulations*, should now make this request of the Miami District Office, or the Office of Export Administration, Room 1617M, U.S. Department of Commerce, Washington, D.C. 20230. Requests to validate Import Certificates should be handled similarly.

Effective date of action: November 1, 1974.

§§ 368.2 and 372.11 [Amended]

Accordingly, the *Export Administration Regulations* (15 CFR Parts 368 and 372) are amended by deleting the name "Jacksonville" from §§ 368.2(a)(2) and 372.11(g).

RAUER H. MEYER,
Director,
Office of Export Administration.

[FR Doc.74-25748 Filed 11-4-74; 8:45 am]

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 46—SHELLED NUTS

Fill of Container for Shelled Nuts in Rigid and Semirigid Containers; Confirmation of Effective Date of Order

An order was published in the *FEDERAL REGISTER* of July 22, 1974 (39 FR 26632), amending the standard of fill of container for shelled nuts in rigid and semirigid containers (21 CFR 46.52) to provide for determining the volume of cylindrical fiber-bodied containers intended as an alternative to metal cans. Anyone who would be adversely affected by the order was given until August 21,

1974, to file objections with the Hearing Clerk.

Pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055-1056, as amended by 70 Stat. 919 and 72 Stat. 948; 21 U.S.C. 341, 371) and under authority delegated to the Commissioner (21 CFR 2.120), notice is given that no objections were filed to the subject order. Accordingly, the amendment promulgated by that order became effective on September 20, 1974.

Dated: October 29, 1974.

SAM D. FINE,
Associate Commissioner
for Compliance.

[FR Doc.74-25741 Filed 11-4-74; 8:45 am]

PART 51—CANNED VEGETABLES

Canned Corn; Order To Delete Certain Optional Styles of Pack and Declaration of Yellow Color Type; Correction

In FR Doc. 74-22092 appearing at page 34268 in the *FEDERAL REGISTER* of Tuesday, September 24, 1974, in the center column, the 19th line reading "paragraphs (b) and (c)(4) to read as" is changed to read "paragraphs (b) and (d)(4) to read as" and § 51.20 *Canned corn, canned sweet corn, canned sugar corn; identity; label statement of optional ingredients* is corrected by changing paragraph "(e) * * *" to read "(d) * * *."

Dated: October 29, 1974.

SAM D. FINE,
Associate Commissioner
for Compliance.

[FR Doc.74-25742 Filed 11-4-74; 8:45 am]

SUBCHAPTER C—DRUGS

PART 135c—NEW ANIMAL DRUGS IN ORAL DOSAGE FORMS

Megestrol Acetate Tablets, Veterinary

The Commissioner of Food and Drugs has evaluated a new animal drug application (91-603V) filed by Schering Corp., Bloomfield, NJ 07003, proposing safe and effective use of megestrol acetate tablets, veterinary in the management of estrus and false pregnancy in female dogs. The application is approved.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 512(i), 82 Stat. 347; 21 U.S.C. 360b(i)) and under authority delegated to the Commissioner (21 CFR 2.120), Part 135c is amended by adding a new section as follows:

§ 135c.135 Megestrol acetate tablets, veterinary.

(a) *Specifications.* Each tablet contains 5 or 20 milligrams of megestrol acetate.

(b) *Sponsor.* Code No. 032 in § 135.501(c) of this chapter.

(c) *Conditions of use.* (1) The drug is used in female dogs for the postponement of estrus and the alleviation of false pregnancy.

(2) It is administered orally, intact, or crushed and mixed with food as follows:

(i) For the postponement of estrus by proestrus treatment, 1 milligram per pound of body weight per day for 8 days.

(ii) For the postponement of estrus by anestrus treatment, 0.25 milligram per pound of body weight per day for 32 days.

(iii) For alleviation of false pregnancy, 1 milligram per pound of body weight per day for 8 days.

(3) Full dosage regimen must be completed to produce the desired effect.

(4) Examination of vaginal smears is recommended to confirm detection of proestrus.

(5) Do not administer for more than two consecutive treatments.

(6) Once therapy is started, the animal should be confined for 3 to 8 days or until cessation of bleeding, since dogs in proestrus accept a male.

(7) Do not use prior to or during first estrus cycle.

(8) Do not use in pregnant animals.

(9) Do not use in the presence of a disease of the reproductive system or with mammary tumors.

(10) Should estrus occur within 30 days after cessation of treatment, mating should be prevented.

(11) Federal law restricts this drug to use by or on the order of a licensed veterinarian.

Effective date. This order shall be effective November 5, 1974.

(Sec. 512(i), 82 Stat. 347; 21 U.S.C. 360(i).)

Dated: October 29, 1974.

C. D. VAN HOUWELING,
Director, Bureau of
Veterinary Medicine.

[FR Doc.74-25743 Filed 11-4-74; 8:45 am]

PART 135c—NEW ANIMAL DRUGS IN ORAL DOSAGE FORMS

Piperazine Citrate Capsules, Veterinary

The Commissioner of Food and Drugs has evaluated new animal drug applications (92-709V and 92-710V) filed by A. H. Robins Co., Inc., 1211 Sherwood Ave., Richmond, VA 23220, proposing safe and effective use of piperazine citrate capsules, veterinary, as an anthelmintic in dogs and cats. The applications are approved.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 511(i), 82 Stat. 347; 21 U.S.C. 360b(i)) and under authority delegated to the Commissioner (21 CFR 2.120), Part 135c is amended by adding a new section to read as follows:

§ 135c.127 Piperazine citrate capsules, veterinary.

(a) *Specifications.* Piperazine citrate capsules, veterinary, contain piperazine citrate equivalent to 140 milligrams of piperazine base in each capsule.

(b) *Sponsor.* See code No. 060 in § 135.501(c) of this chapter.

(c) *Conditions of use.* (1) It is used in dogs and cats for the removal of large

roundworms (*Toxocara canis* and *Toxascaris leonina*).

(2) The contents of 1 capsule should be mixed with the food of the animal for each 5 pounds, or fraction thereof of body weight, except dogs weighing over 25 pounds should be given the contents of 6 capsules. The drug should be mixed in 1/2 of the regular feeding and when the animal has finished eating the dosed food, the remainder of the food may be given. Dogs and cats may be wormed at 6 to 8 weeks of age. The first treatment should be repeated 10 days later. Reinfection may occur. Repeat treatment if indicated.

(3) Severely debilitated animals should not be wormed except on the advice of a veterinarian.

Effective date. This order shall be effective November 5, 1974.

(Sec. 512(1), 82 Stat. 347; 21 U.S.C. 360b(1).)

Dated: October 29, 1974.

C. D. VAN HOUWELING,
Director, Bureau of
Veterinary Medicine.

[FR Doc.74-25740 Filed 11-4-74;8:45 am]

PART 135e—NEW ANIMAL DRUGS FOR USE IN ANIMAL FEEDS

Robenidine Hydrochloride

An order was published in the FEDERAL REGISTER of April 26, 1974 (39 FR 14697), amending § 135e.66 (21 CFR 135e.66) to provide approval for use of robenidine hydrochloride with roxarsone in broiler or fryer chicken feeds. An amendment to the regulation, published in the FEDERAL REGISTER of June 12, 1974 (39 FR 20593), provided an additional combination with lincomycin inadvertently deleting the previous approval. An additional amendment to the regulation, published in the FEDERAL REGISTER of September 13, 1974 (39 FR 32983), provided three additional uses in combination with chlortetracycline but failed to take into account the combination previously deleted.

This order reestablishes the use of robenidine hydrochloride with roxarsone, rennumbers the subsequent items, and republishes the "Conditions of use" under 21 CFR 135e.66(f) as currently approved.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 512(1), 82 Stat. 347; 21 U.S.C. 360b(1)) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120), § 135e.66(f) is revised to read as follows:

§ 135e.66 Robenidine hydrochloride.

(f) **Conditions of use.** It is used as follows:

Principal ingredient	Grams per ton	Combined with—	Grams per ton	Limitations	Indications for use
1. Robenidine hydrochloride.	30 (0.0033%)			For broiler or fryer chickens only; do not feed to layers; feed continuously as the sole ration; withdraw 5 days prior to slaughter.	As an aid in the prevention of coccidiosis caused by <i>Eimeria mivati</i> , <i>E. brunetti</i> , <i>E. tenella</i> , <i>E. acervulina</i> , <i>E. mazima</i> , and <i>E. necatrix</i> .
2. Robenidine hydrochloride.	30 (0.0033%)	Roxarsone (3-nitro-4-hydroxy-phenyl-arsonic acid).	45.4 (.005%)	For broiler or fryer chickens only; do not feed to layers; feed continuously as the sole ration; withdraw 5 days prior to slaughter; as sole source of organic arsenic. Roxarsone provided by sponsor No. 081, see § 135.501(c) of this chapter.	As an aid in the prevention of coccidiosis caused by <i>Eimeria mivati</i> , <i>E. brunetti</i> , <i>E. tenella</i> , <i>E. acervulina</i> , <i>E. mazima</i> , and <i>E. necatrix</i> and increased rate of weight gain.
3. Robenidine hydrochloride.	30 (0.0033%)	Lincomycin.	2	For floor-raised broiler or fryer chickens only; do not feed to laying hens; feed continuously as the sole ration; withdraw 5 days before slaughter; lincomycin as provided by code No. 037, § 135.501(c) of this chapter; approval for this combination granted to firm No. 037 as identified in § 135.501(c) of this chapter.	For increase in rate of gain and improved feed efficiency and as an aid in prevention of coccidiosis caused by <i>Eimeria mivati</i> , <i>E. brunetti</i> , <i>E. tenella</i> , <i>E. acervulina</i> , <i>E. mazima</i> , and <i>E. necatrix</i> .
4. Robenidine hydrochloride.	30 (0.0033%)	Chlortetracycline.	100	For broiler or fryer chickens only; withdraw 5 days prior to slaughter; do not feed to layers; feed continuously as sole ration; as chlortetracycline hydrochloride provided by sponsor No. 004, see § 135.501(c) of this chapter.	As an aid in the prevention of coccidiosis caused by <i>E. mivati</i> , <i>E. brunetti</i> , <i>E. tenella</i> , <i>E. acervulina</i> , <i>E. mazima</i> , and <i>E. necatrix</i> ; as an aid in the control of chronic respiratory disease (CRD) caused by <i>M. gallisepticum</i> susceptible to chlortetracycline; as an aid in the control of infectious synovitis caused by <i>M. synoviae</i> susceptible to chlortetracycline.
5. Robenidine hydrochloride.	30 (0.0033%)	Chlortetracycline.	200	For broiler or fryer chickens only; withdraw 5 days prior to slaughter; do not feed to layers; feed continuously as sole ration; as chlortetracycline hydrochloride provided by sponsor No. 004, see § 135.501(c) of this chapter.	As an aid in the prevention of coccidiosis caused by <i>E. mivati</i> , <i>E. brunetti</i> , <i>E. tenella</i> , <i>E. acervulina</i> , <i>E. mazima</i> , and <i>E. necatrix</i> ; as an aid in the treatment of infectious synovitis caused by <i>M. synoviae</i> susceptible to chlortetracycline; as an aid in the control of chronic respiratory disease (CRD) caused by <i>M. gallisepticum</i> susceptible to chlortetracycline.
6. Robenidine hydrochloride.	30 (0.0033%)	Chlortetracycline.	500	For broiler or fryer chickens only; withdraw 5 days prior to slaughter; do not feed to layers; not to be fed continuously for more than 5 days; as chlortetracycline hydrochloride provided by sponsor No. 004, see § 135.501(c) of this chapter.	As an aid in the prevention of coccidiosis caused by <i>E. mivati</i> , <i>E. brunetti</i> , <i>E. tenella</i> , <i>E. acervulina</i> , <i>E. mazima</i> , and <i>E. necatrix</i> ; as an aid in the reduction of mortality due to <i>E. coli</i> susceptible to chlortetracycline.

Effective date. This order shall be effective November 5, 1974.

(Sec. 512(1), 82 Stat. 347, 21 U.S.C. 360b(1).)

Dated: October 24, 1974.

C. D. VAN HOUWELING,
Director, Bureau of
Veterinary Medicine.

[FR Doc.74-25593 Filed 11-4-74;8:45 am]

Title 29—Labor

CHAPTER XVII—OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR

REQUIREMENTS FOR APPROVAL OF STATE POSTERS

On July 24, 1974, notice was published in the FEDERAL REGISTER (39 FR 26914)

concerning proposed rules under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667) (hereinafter called the Act) for requirements for State posters informing employers and employees of certain protections and obligations under both State and Federal law in States with approved plans.

After consideration of the relevant material which was submitted by interested persons, the proposal is hereby adopted with some changes. The significant changes include: (1) a revised minimum size requirement for reproductions of the Federal and State posters of 8 1/2 inches by 14 inches and a requirement for a caption of not less than 36 pt. for the poster to assure that it will be large enough to attract the attention of employees; (2) a mandatory requirement that a State substitute its poster

for the Federal poster with a provision for a State to request approval of an alternative method of informing employees of their protections and obligations that meets the requirements of 29 CFR 1902.4(c)(2)(iv); and (3) clarification on the applicability of the regulation to operational State plans. As stated in § 1952.10(a)(2) of the regulation and the conforming amendment to § 1954.3(d)(1) of this chapter, the requirements for the approved State poster are only applicable in those States that have attained operational status as defined in § 1954.3(b) of this chapter which incorporates the legal authority to include the requirements of this regulation on the State poster. Where a State has distributed its poster and has the necessary enabling legislation as defined in § 1954.3(b)(1) of this chapter but becomes nonoperational as to one or more occupational safety and health issues because of failure to be at least as effective as the Federal program, the approved State poster may, at the discretion of the Assistant Secretary, continue to be substituted for the Federal poster.

Changes to the proposed regulations were not considered necessary or appropriate in the following instances:

1. *Coverage of issues.* It is necessary for a State to include issues not covered by its plan on the poster because in most cases, the workplace will contain hazards in these issues as well as issues covered by the State plan. This is most apparent where a State does not cover an issue such as occupational health. (See Virgin Islands decision, 29 CFR 1952.250(a), 38 FR 24896.) In such a case it is important that employees be notified that responsibility for that issue remains with the Federal government. This requirement will not be necessary in most States since they cover all of the issues covered by Federal standards.

2. *Clarification of certain requirements—(a) Prompt notice of violations.* One comment asked for a clarification of the language requiring "prompt notice to employers and employees when alleged violations occur." This language summarizes the Federal poster requirements for information on issuance of citations and proposed penalties.

(b) *Discrimination complaints.* In order to provide effective notice of the employee's right to file a discrimination complaint under Federal and State law, the poster should state briefly the existence of the right and that an employee has a certain specified period of time (30 days under the Act) to file a complaint with the Federal and/or State office at the addresses contained in the poster.

In consideration of the foregoing, Chapter XVII of Title 29, Code of Federal Regulations is amended to read as follows:

PART 1903—INSPECTIONS, CITATIONS AND PROPOSED PENALTIES

1. Section 1903.2(a) is renumbered to read § 1903.2(a)(1) and § 1903.2(a)(2) and (3) as adopted read as follows.

§ 1903.2 Posting of notice; availability of the Act, regulations and applicable standards.

(a) (1) * * *

(2) Where a State has an approved poster informing employees of their protections and obligations as defined in § 1952.10 of this chapter, such poster, when posted by employers covered by the State plan, shall constitute compliance with the posting requirements of section 8(c)(1) of the Act. Employers whose operations are not within the issues covered by the State plan must comply with paragraph (a)(1) of this section.

(3) Reproductions or facsimiles of such Federal or State posters shall constitute compliance with the posting requirements of section 8(c)(1) of the Act where such reproductions or facsimiles are at least 8½ inches by 14 inches, and the printing size is at least 10 pt. Whenever the size of the poster increases, the size of the print shall also increase accordingly. The caption or heading on the poster shall be in large type, generally not less than 36 pt.

PART 1952—APPROVED STATE PLANS FOR ENFORCEMENT OF STATE STANDARDS

2. Section 1952.10 in Subpart A of Part 1952 as adopted, reads as follows:

§ 1952.10 Requirements for approval of State posters.

(a) (1) In order to inform employees of their protections and obligations under applicable State law, of the issues not covered by State law, and of the continuing availability of Federal monitoring under section 18(f) of the Act, States with approved plans shall develop and require employers to post a State poster meeting the requirements set out in paragraph (a)(5) of this section.

(2) Such poster shall be substituted for the Federal poster under section 8(c)(1) of the Act and § 1903.2 of this chapter where the State attains operational status for the enforcement of State standards as defined in § 1954.3(b) of this chapter.

(3) Where a State has distributed its poster and has enabling legislation as defined in § 1954.3(b)(1) of this chapter but becomes nonoperational under the provisions of § 1954.3(f)(1) of this chapter because of failure to be at least as effective as the Federal program, the approved State poster may, at the discretion of the Assistant Secretary, continue to be substituted for the Federal poster in accordance with paragraph (a)(2) of this section.

(4) A State may, for good cause shown, request, under 29 CFR Part 1953, approval of an alternative to a State poster for informing employees of their protections and obligations under the State plans, provided such alternative is consistent with the Act, 29 CFR 1902.4(c)(2)(iv) and applicable State law. In order to qualify as a substitute for the Federal poster under this para-

graph, such alternative must be shown to be at least as effective as the Federal poster requirements in informing employees of their protections and obligations and address the items listed in paragraph (a)(5) of this section.

(5) In developing the poster, the State shall address but not be limited to the following items:

(i) Responsibilities of the State, employers and employees;

(ii) The right of employees or their representatives to request workplace inspections;

(iii) The right of employees making such requests to remain anonymous;

(iv) The right of employees to participate in inspections;

(v) Provisions for prompt notice to employers and employees when alleged violations occur;

(vi) Protection for employees against discharge or discrimination for the exercise of their rights under Federal and State law;

(vii) Sanctions;

(viii) A means of obtaining further information on State law and standards and the address of the State agency;

(ix) The right to file complaints with the Occupational Safety and Health Administration about State program administration;

(x) A list of the issues as defined in § 1902.2(c) of this chapter which will not be covered by State plan;

(xi) The address of the Regional Office of the Occupational Safety and Health Administration; and

(xii) Such additional employee protection provisions and obligations under State law as may have been included in the approved State plan.

(b) Posting of the State poster shall be recognized as compliance with the posting requirements in section 8(c)(1) of the Act and § 1903.2 of this chapter, provided that the poster has been approved in accordance with Subpart B of Part 1953. Continued Federal recognition of the State poster is also subject to pertinent findings of effectiveness with regard to the State program under 29 CFR Part 1954.

PART 1954—PROCEDURES FOR THE EVALUATION AND MONITORING OF APPROVED STATE PLANS

3. Section 1954.3 is amended by adding a new paragraph (d)(1)(ii) and as adopted, reads as follows:

§ 1954.3 Exercise of Federal discretionary authority.

(d) (1) * * *

(ii) Subject to pertinent findings of effectiveness under this part, and approval under Subpart B and F of Part 1953, Federal enforcement proceedings will not be initiated where an employer has posted the approved State poster in accordance with the applicable provisions of an approved State plan and § 1952.10 of this chapter.

Effective date: These amendments to 29 CFR Parts 1903, 1952, and 1954 shall be effective on November 5, 1974.

(Secs. 8, 18; Pub. L. 91-596, 84 Stat. 1598, 1608; (29 U.S.C. 657, 667))

Signed at Washington, D.C. this 30th day of October, 1974.

JOHN STENDER,
Assistant Secretary of Labor.

[FR Doc. 74-25735 Filed 11-4-74; 8:45 am]

PART 1952—APPROVED STATE PLANS FOR ENFORCEMENT OF STATE STANDARDS

Approval of Arizona Plan

1. **Background.** Part 1902 of Title 29, Code of Federal Regulations, prescribes procedures under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667) whereby States may submit for approval, under the requirements of this section, plans to assume responsibility for the development and enforcement of State occupational safety and health standards.

The Arizona Plan was first submitted to the Assistant Secretary on September 5, 1972. Initial review of the plan raised several significant issues which placed the approval of the plan in serious doubt. Among these issues were the lack of first instance sanctions for serious and nonserious violations, lack of an informal review procedure if compliance action is not taken following an employee complaint and the plan's provision for the exemption of employers from compliance if they have requested on-site consultation until after the consultation activities have taken place. Also, sanctions were not comparable to the Federal ones in some respects.

Because of these and other defects, the State was notified that its plan would be subject to disapproval. Following this notice, on October 11, 1973, the State requested that it be given an opportunity to correct the deficiencies and requested that the Assistant Secretary postpone his decision on the disapproval of the plan. These requests were granted.

On August 6, 1974, the State resubmitted its plan and on August 23, 1974, a notice was published in the FEDERAL REGISTER (39 FR 30559) concerning the resubmission of the plan to the Assistant Secretary and the fact that the question of approval was in issue before him. No written comments were received concerning the revised plan and there were no requests for an informal hearing.

The plan identifies the Arizona Industrial Commission, Division of Occupational Safety and Health, as the State agency designated to administer the plan throughout the State. It defines the covered occupational safety and health issues as defined by the Secretary of Labor in § 1902.2(c)(1) of Chapter XVII, Title 29, Code of Federal Regulations. The plan includes legislation passed by

the Arizona Legislature during its 1974 Session which became effective on August 10, 1974. The plan further includes proposed draft amendments to its enabling legislation. The proposed amendments are accompanied by a statement of the designee's support for them. Normally, support for such legislative amendments is required from the Governor of the affected State. However, at this time the Governorship of Arizona is the subject of an election on November 5, 1974 and the present Governor will not be succeeding himself and accordingly cannot give his support to the necessary amendments. In addition, the terms of the present members of the Industrial Commission expire at the end of the Governor's term. However, the designee, who is not a political appointee, and who has responsibility for recommending the Commission's legislative program has assured the Department he will secure the necessary changes during the next legislative session. Under the circumstances, this Department has agreed to waive the normal requirement for the Governor's support of such legislation, but if there is a failure by the designee to secure the necessary amendments such failure will result in a reconsideration of the approval of this plan.

2. **Issues.** This Department's review of the plan raised several significant issues which have been addressed by Arizona in supplementary letters submitted to the Office of Regional Programs of the Occupational Safety and Health Administration on October 15, 18, and 24, 1974, which clarified and modified the plan and are incorporated as part of the plan.

a. **Sanctions.** The sanctions proposed by Arizona presented some substantial differences compared to those at the Federal level. First, a nonserious violation was defined as one "which does not constitute a serious violation but which violates a standard or regulation and has a direct or immediate relationship to safety or health, unless the employer did not, and could not with the exercise of reasonable diligence, know of the presence of such condition or practice." A.R.S. 23-401(1). This definition requires knowledge of a violation by an employer before he can be subject to sanctions. In addition, this definition places a greater burden of proof on the State than is required under the Federal Act. The standard of proof for nonserious violations required under the Arizona scheme is accordingly less effective than under the Federal scheme. To rectify this situation, the State has promised to amend its enabling legislation by deleting the phrase "unless the employer did not, and could not with the exercise of reasonable diligence, know of the presence of such condition or practice."

In addition, the imposition of sanctions for willful or repeated violations, serious violations, willful death violations and nonserious violations appeared to be limited to violations of the general duty clause and to violations of standards, whereas under the Federal Act such violations encompass any provisions of the Act. To correct this potential

loophole, the State has agreed to amend those provisions of its enabling legislation, A.R.S. § 29-418, to provide that the above sanctions shall apply to any provisions of the Act rather than just the general duty clause or violations of standards alone.

b. **Regulations and standards.** Substantial confusion arose during our review of the plan concerning Arizona's definitions of standards and regulations. Standards are defined as national consensus standards or Federal standards and regulations are defined as regulations governing places of employment formulated pursuant to A.R.S. 23-410. In case of conflict, the regulations are to take precedence over standards A.R.S. 23-410(D). Under normal circumstances, regulations and standards are defined as distinct components. However, under the Arizona scheme, these definitions are all-inclusive, the difference being that standards under the Arizona definition include Federal standards and the adoption of Federal regulations, such as 29 CFR Part 1903, where applicable. Regulations are to include standards promulgated by the State as well as regulations, as the term is commonly understood. Where a "regulation" conflicts with a "standard," the regulation shall take precedence.

It was also feared that the precedence of a regulation over a standard might result in a less effective system of standards. However, the State has committed itself to maintaining standards which will be at least as effective as the Federal standards. However, the application of such definitions will be subject to close scrutiny in the periodic evaluation of the plan by the Department, particularly in those cases where regulations supersede standards.

c. **Standards.** Our review discerned some concern over the absence of a "working life" definition in the Arizona provisions relating to the promulgation of standards for toxic substances. As indicated in the Kentucky Decision (38 FR 20322), where a State's enabling legislation provides detailed provisions pertaining to employee rights or practices, it is imperative that such protections be all-inclusive. 29 CFR 1902.3(b)(2)(i) requires that State standards dealing with toxic substances or harmful physical agents "adequately assure that no employee will suffer material impairment of health or functional capacity even if such employee has regular exposure to the hazard dealt with by such standard for the period of his working life * * *." To rectify this defect, the State has committed itself to seeking a technical amendment to its enabling legislation to provide for such a working life definition during the 1975 Session of the State Legislature.

d. **Inspections in response to employee complaints.** Section 23-408(E) provides that "employees or representatives of employees who believe that a violation of a safety or health standard or regulation exists * * * may request an investigation by giving notice to the Director [of the OSH Division] or his authorized

representative * * *." Section 8(f) (1) of the Federal Act provides that employees or their representatives may request an inspection. The use of the term "investigation" by Arizona presented a problem of interpretation since an investigation does not necessarily include an inspection of the violative condition. It may be limited to a pro forma response to the validity of a complaint, for instance. At any rate, Arizona has provided specific assurances that the term investigation is to be understood as including an inspection of the violative condition.

e. *Advance notice.* A.R.S. 23-408 provides that "In notice of an intended inspection shall not be given to an employer prior to the time of actual entry upon the property * * *." The key word in this section is "property." Property implies that the place to be inspected is the property, as opposed to the worksite, of an employer. This may pose problems where an employer does not own or control the property, such as contractors and subcontractors. To rectify this defect, the State will propose a legislative amendment to be submitted to the State Legislature during its 1975 Session which would replace the word "property" with "worksite."

f. *Employee participation in the review process.* Interested parties are permitted to participate in the review of citations and violations under the Arizona Plan. However, an interested party, under A.R.S. 23-401(10) does not appear to include employees. The designee inadvertently failed to amend its legislation during the 1974 Session of the Legislature. The Industrial Commission has committed itself to seeking a technical amendment to its enabling legislation which will provide for employee participation in the review process.

g. *Designee's right to compel entry.* As originally submitted, the State plan did not appear to provide adequate authority to compel entry to a worksite if entry was refused. This situation has been clarified by the State in that a search warrant may be issued to compel entry under A.R.S. § 13-1442(5). That section provides that a search warrant may be issued "when the property is to be searched * * * in the interest of the public health, safety or welfare as part of an inspection program authorized by law." This provision appears to be adequate for the purposes of compelling entry under the Arizona program. However, if the State experiences any difficulty in the administration of this provision, it will be required to make the necessary changes to bring its provision for compelling entry into conformity with the requirements of § 1903.3(e).

3. *Decision.* After careful consideration of the Arizona Plan by this Department, the plan is hereby approved under section 18 of the Act and 29 CFR Part 1902.

The decision incorporates requirements of the Act and implementing regulations applicable to State plans generally. It also incorporates our intentions as to continued Federal en-

forcement of Federal standards in areas covered by the plan and the State's Developmental schedule as set out below.

Pursuant to § 1902.20(b) (1) (iii), the present level of Federal enforcement will not be diminished until, among other things, the State has promulgated State standards and regulations and has promulgated review procedures. Thereafter, Federal enforcement activity will continue to be exercised to the degree necessary to assure occupational safety and health protection to employees in the State of Arizona.

The Arizona Plan is developmental. The following are the highlights of the schedule of developmental steps provided by the plan:

(a) Development of a complete management information and control system by July 1, 1976.

(b) The formulation and approval of inter-agency agreements with the Arizona Atomic Energy Commission, the State Board of Pesticide Control, the State Health Department, the Arizona Mine Inspector's Office and the Arizona Corporation Commission by January 1, 1975.

(c) The promulgation of variance regulations, regulations for inspections, citations and proposed penalties and regulations concerning review procedures by January 1, 1975.

(d) The promulgation of recordkeeping regulations by January 1, 1975, but full implementation of these regulations will not be until July 1, 1976.

(e) The submission of legislative amendments to the Arizona Legislature for consideration during its 1975 Session.

Pursuant to section 18 of the Occupational Safety and Health Act (29 U.S.C. 667), Part 1952 is hereby amended by adding a new Subpart CC as follows:

Subpart CC—Arizona

Sec.

- 1952.350 Description of the plan.
- 1952.351 Where the plan may be inspected.
- 1952.352 Level of Federal enforcement.
- 1952.353 Developmental schedule.

AUTHORITY: Sec. 18, Pub. L. 91-596, 84 Stat. 1608 (29 U.S.C. 667).

Subpart CC—Arizona

§ 1952.350 Description of the plan.

(a) (1) The plan identifies the Arizona Industrial Commission, Division of Occupational Safety and Health, as the State agency designated to administer the plan throughout the State. It adopts the definition of occupational safety and health issues expressed in § 1902.2(c) (1) of this chapter. The State intends to adopt all Federal standards except those found in 29 CFR Parts 1915, 1916, 1917 and 1918 (ship repairing, shipbuilding, shipbreaking, and longshoring) and those subparts of Parts 1910 and 1926 pertaining to industries which are not applicable to Arizona. In addition, the State intends to enforce elevator (ANSI) and boiler pressure vessel (ASME) standards for which there are no Federal counterparts.

(2) The plan provides a description of personnel employed under a merit system; the coverage of employees of political subdivisions; procedures for the development and promulgation of standards, including standards for the protection of employees against new and unforeseen hazards; and procedures for the prompt restraint or elimination of imminent danger situations.

(b) (1) The plan includes legislation enacted by the Arizona Legislature during its 1974 legislative session amending Title 23, Article 10 of the Arizona Revised Statutes to bring them into conformity with the requirements of Part 1902 of this chapter. Under the legislation the Industrial Commission will have full authority to enforce and administer laws respecting the safety and health of employees in all workplaces of the State.

(2) The legislation is intended, among other things, to assure inspections in response to employee complaints; give employer and employee representatives an opportunity to accompany inspectors in order to aid inspections; notification of employees or their representatives when no compliance action is taken as a result of alleged violations; notification of employees of their protections and obligations; protection of employees against discharge or discrimination in terms and conditions of employment; adequate safeguards to protect trade secrets; sanctions against employers for violations of standards and orders; employer right of review to an Occupational Safety and Health Review Board and then the courts, and employee participation in review proceedings. The plan also proposes a program of voluntary compliance by employers and employees, including a provision for on-site consultation. The State's consultation program should not detract from its enforcement program and the State has given assurances that it will meet the conditions set forth in the Washington Decision (38 FR 2421, January 26, 1973).

(c) The Arizona Plan includes the following documents as of the date of approval:

(1) The plan description documents, in two volumes.

(2) A copy of the enabling legislation as amended and enacted by the State Legislature in its 1974 Session.

(3) Letters from Donald G. Wiseman, Director of the Division of Occupational Safety and Health of the Arizona Industrial Commission to Barry J. White, Associate Assistant Secretary for Regional Programs on October 15, 18, and 24, 1974 submitting information, clarifications, and revisions on several issues raised during the review process, including proposals to be submitted to the Arizona Legislature during its 1975 Session.

§ 1952.351 Where the plan may be inspected.

A copy of the plan may be inspected and copied during normal business hours

at the following locations: Office of the Associate Assistant Secretary for Regional Programs, Room 850, 1726 M Street NW, Washington, D.C. 20210; Assistant Regional Director, Occupational Safety and Health Administration, Room 9470 Federal Building, 450 Golden Gate Avenue, San Francisco, California 94102; and the Director, Occupational Safety and Health Division, Arizona Industrial Commission, 1601 West Jefferson Street (P.O. Box 1907, 85005), Phoenix, Arizona 85007.

§ 1954.352 Level of Federal enforcement.

Pursuant to § 1902.20(b)(1)(iii) of this chapter, the present level of Federal enforcement in Arizona will not be diminished until the State has, among other things, promulgated standards and regulations and established review procedures and they have become effective. Thereafter, the level of Federal enforcement will continue to be exercised to the degree necessary to assure occupational safety and health protection to employees in the State of Arizona.

§ 1952.353 Developmental schedule.

The Arizona State plan is developmental. The following is the developmental schedule as provided by the plan:

(a) Development of a complete management information and control system by July 1, 1976.

(b) The formulation and approval of inter-agency agreements with the Arizona Atomic Energy Commission, the State Board of Pesticide Control, the State Health Department, the Arizona Mine Inspector's Office and the Arizona Corporation Commission by January 1, 1975.

(c) The promulgation of variance regulations, regulations for inspections, citations and proposed penalties and regulations concerning review procedures by January 1, 1975.

(d) The promulgation of recordkeeping regulations by January 1, 1975, but full implementation of these regulations will not be until July 1, 1976.

(e) The submission of legislative amendments to the Arizona Legislature during its 1975 Session.

Signed at Washington, D.C., this day 29th of October 1974.

JOHN STENDER,
Assistant Secretary of Labor.

[FR Doc.74-25736 Filed 11-4-74; 8:45 am]

Title 30—Mineral Resources

CHAPTER I—MINING ENFORCEMENT AND SAFETY ADMINISTRATION, DEPARTMENT OF THE INTERIOR

SUBCHAPTER B—RESPIRATORY PROTECTIVE APPARATUS; TESTS FOR PERMISSIBILITY; FEES

PART 11—RESPIRATORY PROTECTIVE DEVICES; TESTS FOR PERMISSIBILITY; FEES

Miscellaneous Amendments and Nomenclature Changes

On March 25, 1972, the Department of Health, Education, and Welfare and the

Department of the Interior jointly adopted Part 11 of Title 30, Code of Federal Regulations which provides for the testing of occupational respirators and the issuance of joint approvals for those which meet certain requirements for performance and respiratory protection (37 FR 6244). On March 15, 1973, the Departments jointly adopted miscellaneous amendments to Part 11 to reflect an agreement whereby the site for the testing of respiratory protective devices was transferred from the Bureau of Mines laboratory in Pittsburgh to the Testing and Certification Laboratory of the National Institute for Occupational Safety and Health in Morgantown, West Virginia.

By Order No. 2953 the Secretary of the Interior established within the Department of the Interior the Mining Enforcement and Safety Administration (MESA) and made it responsible for administering certain functions under the Federal Coal Mine Health and Safety Act of 1969 (Pub. L. 91-173, 30 U.S.C. 801-960 (1970)) and the Federal Metal and Nonmetallic Mine Safety Act (Pub. L. 89-577, 30 U.S.C. 721-740 (1970)). Among the functions transferred to the Mining Enforcement and Safety Administration is the responsibility for joint approval of occupational respirators. The responsibility thus assigned was separated from the Bureau of Mines.

The Department of the Interior published in the FEDERAL REGISTER for June 28, 1974 (39 FR 23996) miscellaneous amendments and nomenclature changes for Chapter I of Title 30, including the establishment of the official emblem for the Mining Enforcement and Safety Administration. Additionally, the title of Chapter I was amended to the "Mining Enforcement and Safety Administration."

In order to provide for the transfer of the functions and the necessary changes in nomenclature to conform to Secretarial Order No. 2953, Part 11 of Title 30 of the Code of Federal Regulations is amended and revised as set forth below. The amendments and revisions are for the purpose of codifying in the Code of Federal Regulations the respective functions of the Mining Enforcement and Safety Administration and the Bureau of Mines.

An individual, partnership, company, corporation, organization, or association that designs, manufactures, assembles, or controls the assembly of occupational respirators under a certificate of approval or extension or modification thereof jointly issued by the Bureau of Mines and The National Institute for Occupational Safety and Health (the Institute) may continue after the effective date of these amendments or revisions, to use and attach to such respirators the approval label or marking approved by the Bureau of Mines and the Institute until revoked, modified or revised. Use of such approval label or marking shall bind and obligate the manufacturer in the same manner and for the same purpose for which approval was granted.

After the effective date of these amendments or revisions, certificates of approval, or extension or modification of certificates of approval shall be jointly granted by the Mining Enforcement and Safety Administration and the Institute and an approval label or marking shall be of the design, wording, size, type, material, location, and method of attachment approved by MESA and the Institute.

As these amendments and revisions relate to matters of internal organization and practice of the Department of the Interior and the Department of Health, Education, and Welfare, the prior notice and public procedure provisions of 5 U.S.C. 553 are not applicable.

The amendments and revisions shall be effective November 5, 1974.

Part 11 of Title 30, Code of Federal Regulations is amended as set forth below.

Dated: September 20, 1974.

JACK W. CARLSON,
Assistant Secretary of the Interior.

Dated: October 30, 1974.

FRANK CARLUCCI,
Acting Secretary of Health,
Education and Welfare.

Part 11, Subchapter B, Chapter I, Title 30, Code of Federal Regulations is amended as follows:

1. The headings of §§ 11.42, 11.43, and 11.65, and §§ 11.42, 11.43, and 11.65 in the table of contents are revised by deleting the words "the Bureau" and substituting "MESA" therefor.

2. In the sections specified below, the words "the Bureau of Mines", "Bureau", and "the Bureau" are deleted wherever they appear and "MESA" is substituted therefor:

Secs.	
11.1	11.42(a)
11.3(c)	11.42(b)
11.22(a)	11.42(c)
11.30(a)	11.43(b)
11.30(b)	11.43(c)
11.30(c)	11.60(a)
11.31(e)	11.60(b)
11.32(a)	11.63(c)
11.32(c)	11.65(a)
11.33(a)	11.65(b)
11.33(c)	11.65(c)
11.33(e)	11.65(d)
11.33(f)	11.65(e)
11.33(g)	11.66(a)
11.34	11.79-1
11.35(a)	11.85-3(c)
11.40	(footnote 1)
11.41(i)	11.90(c)
	11.150 (Note)

§ 11.3 [Amended]

3. Section 11.3 is amended by adding paragraph (jj) as follows:

(jj) "MESA" means the United States Department of the Interior, Mining Enforcement and Safety Administration.

§ 11.4 [Amended]

4. Section 11.4 is amended by deleting the words "Health and Safety Technical Support Center, Bureau of Mines" and substituting therefor "Pittsburgh Technical Support Center" and by deleting the words "the Bureau" and substituting "MESA" therefor.

§ 11.10 [Amended]

5. Section 11.10(e) is amended by deleting the words "Bureau of Mines" and substituting therefor "Pittsburgh Technical Support Center."

§ 11.33 [Amended]

6. Section 11.33(b) is amended by deleting the words "seals of the U.S. Bureau of Mines and" and substituting therefor "emblem of the Mining Enforcement and Safety Administration and the seal of" and by deleting the words "the Bureau" and substituting "MESA" therefor.

§ 11.61 [Amended]

7. Section 11.61(e) is amended by deleting the words "the Bureau" and substituting "MESA" therefor.

8. Table 8, for Air-regulating valve, under Type C, following § 11.124-7 is amended by deleting the words "the Bureau" and substituting "the Institute" therefor.

[FR Doc.74-25791 Filed 11-4-74; 8:45 am]

Title 33—Navigation and Navigable Waters

CHAPTER I—COAST GUARD,
DEPARTMENT OF TRANSPORTATION

[CGD 74-41]

PART 117—DRAWBRIDGE OPERATION
REGULATIONS

Little Manatee River, Florida

This amendment changes the regulations for the Seaboard Coast Line railroad bridge near Ruskin across the Little Manatee River, Florida, to require at least three hours notice at all times. This amendment was circulated as a public notice dated February 21, 1974 by the Commander, Seventh Coast Guard District, and was published in the FEDERAL REGISTER as a notice of proposed rule making (CG 74-41) on February 21, 1974 (39 FR 6618). Ten responses were received. Two of these had no objection to the proposed change. A petition with 54 signatures and seven letters objected to the proposed change. After an investigation by the Seventh Coast Guard District, the proposal was reduced from six hours to three hours notice. The Coast Guard feels that three hours notice meets the present needs of navigation, particularly in view of the limited number of openings (nine in 1972, five in 1973 and nine from January through August 1974). If navigation increases this regulation may be amended at that time.

Accordingly, Part 117 of Title 33 of the Code of Federal Regulations is amended by adding a new subparagraph (5) immediately after subparagraph (4) of paragraph (i) of § 117.245 to read as follows:

§ 117.245 Navigable waters discharging into the Atlantic Ocean south of and including Chesapeake Bay and into the Gulf of Mexico, except the Mississippi River and its tributaries and outlets; bridges where constant attendance of draw tenders is not required.

(1) * * *

(5) Little Manatee River, Fla.; Seaboard Coast Line Railroad bridge at Ruskin. The draw shall open on signal if at least three hours notice is given.

(Sec. 5, 28 Stat. 362, as amended; sec. 6(g) (2), 80 Stat. 937 (33 U.S.C. 499, 49 U.S.C. 1655(g) (2)); 49 CFR 1.46(c) (5), 33 CFR 1.05-1(c) (4))

Effective date. This revision shall become effective on December 5, 1974.

Dated: October 25, 1974.

R. I. PRICE,
Rear Admiral, U.S. Coast Guard,
Chief, Office of Marine Environment and Systems.

[FR Doc.74-25764 Filed 11-4-74; 8:45 am]

[CGD 74-114]

PART 117—DRAWBRIDGE OPERATION
REGULATIONS

New River, Florida

This amendment changes the regulations for the Southeast 3rd Avenue bridge across the New River, mile 1.8, to allow periods when the draw need not open for the passage of vessels. This amendment was circulated as a public notice dated April 24, 1974 by the Commander, Seventh Coast Guard District, and was published in the FEDERAL REGISTER as a notice of proposed rule making (CG 74-114) on April 22, 1974 (39 FR 14217). Two replies were received. One had no objection to the proposal. The other objected on the grounds that it could be hazardous for a vessel to wait in this area because there is no maneuvering room or any place to tie off. This objection has been considered; however, by scheduling passages, vessels could eliminate this problem and the Coast Guard feels that this proposal is valid.

Accordingly, Part 117 of Title 33 of the Code of Federal Regulations is amended by:

1. Redesignating the present paragraphs (a), (b), and (c) of § 117.446c as paragraphs (b), (c), and (d).

2. Revising the last line of subparagraph (3) of the new paragraph (c) of § 117.446c by striking the words "paragraph (a)" and inserting the words "paragraph (b)".

3. Adding a new paragraph (a) to § 117.446c to read as follows:

§ 117.446c New River and South Fork of New River, Fort Lauderdale, Fla.; bridges.

(a) Southeast 3rd Avenue bridge across New River, mile 1.4

(1) The draw shall open on signal except that from 7:30 a.m. to 8:30 a.m.,

and 4:30 to 5:30 p.m. Monday through Friday, the draw need not open for the passage of vessels.

(2) The draw shall open at any time for the passage of public vessels of the United States, tugs with tows, regularly scheduled cruise boats, and vessels in distress. The opening signal from these vessels shall be four blasts of a whistle, horn, other sound producing device or by shouting.

(3) The owner of or agency controlling the bridge shall erect and maintain conspicuously on both sides thereof signs acceptable to the District Commander, setting forth the salient features of the regulations in this paragraph and paragraph (b) of this section.

(Sec. 5, 28 Stat. 362, as amended; sec. 6(g) (2), 80 Stat. 937; (33 U.S.C. 499, 49 U.S.C. 1655(g) (2)); 49 CFR 1.46(c) (5), 33 CFR 1.05-1(c) (4))

Effective date. This revision shall become effective on December 5, 1974.

Dated: October 25, 1974.

R. I. PRICE,
Rear Admiral, U.S. Coast Guard,
Chief, Office of Marine Environment and Systems.

[FR Doc.74-25763 Filed 11-4-74; 8:45 am]

Title 38—Pensions, Bonuses, and
Veterans' ReliefCHAPTER I—VETERANS
ADMINISTRATIONPART 21—VOCATIONAL
REHABILITATION AND EDUCATION

Independent Study Program

CFR Correction

In a previous revision to 38 CFR 21.201 (i), subparagraphs (1) through (4) were inadvertently omitted and should be reinstated to read as follows:

§ 21.201 Types of courses.

(1) Institutional on-farm course. * * *

(i) Organized group instruction (classroom) in agricultural and related subjects of at least 200 hours per year (not less than 8 hours in any one month and sufficiently more in other months to aggregate the required 200 hours per year) at an agricultural school or other educational agency, plus individual instruction in accord with either of the following:

(i) Where a farm is under the veteran's own control 100 hours of individual instruction per year, not less than 50 hours of which shall be on such farm with at least two visits by the instructor to such farm each month.

(ii) Where the veteran is to be trained to manage a farm of another, not less than 50 hours of individual instruction per year with at least one visit by the instructor to such farm each month.

(2) On-farm instruction of at least 200 hours per year (not less than 10 hours in any one month and sufficiently

more in other months to aggregate the required 200 hours per year) given by a fully qualified individual instructor by contract either with an educational agency or directly with the individual instructor, when

(i) It has been definitely found that there is not available within reasonable commuting distance of the veteran's farm organized group instruction (classroom) or that the major portion of such organized group instruction (classroom) as is available does not have direct relation to the veteran's farming operation and the records are clearly and fully documented accordingly, and

(ii) Such instruction is limited to situations where the veteran is being trained to operate a farm over which he has control.

(3) Where the course is designed to train a veteran to operate a farm under his own control the plan for training developed by the Veterans Administration in collaboration with the instructor will satisfy the following requirements:

(i) A complete written survey of the farm on which the veteran is to pursue training and an evaluation of the practical potentialities of the farm.

(ii) An overall, long term farm and home plan based upon the survey of the farm.

(iii) An annual farm and home plan prepared before the beginning of each crop year of the prescribed course based upon the overall, long term farm and home plan.

(iv) A detailed individual training program showing the kind and amount of instruction—classroom and individual, or on-farm group and individual, or individual.

(v) The operation of the farm shall be under the control of the veteran by ownership, lease, or other written tenure arrangement. Where the tenure arrangement is other than by ownership, the lease or other written agreement shall afford the veteran control of the farm at least until the completion of his course. The veteran's control must be such that he will be free to carry out the teachings of his training program and to operate his farm according to a farm and home plan developed by the Veterans Administration in collaboration with the instructor, the veteran, and when appropriate, the landlord. Also, the lease or agreement must provide for capital improvements to be made which are necessary for carrying out the farm and home plan, with the veteran furnishing no greater portion of the costs thereof than the benefits accruing to him warrant. Furthermore, it must provide for the landlord to share the costs of improved practices put into effect in proportion to the returns he will receive from such practices. Ordinarily training will be approved for only one veteran on a single farm. However, where conditions of a particular farm are so highly favorable as to size, character, productivity, and equipment to assure the successful rehabilitation of a veteran in partnership with another person, such

veteran may be placed in training with one, but not more than one, other veteran on a single farm, when the other veteran is, or immediately will be, in IOF training or has satisfactorily pursued IOF training under laws administered by the Veterans Administration. There must be documentary evidence that the two principals have entered into a bona fide partnership agreement which provides for equal authority between the partners in the management and operation of the farm.

(vi) The farm at the time of induction of the veteran into training and throughout the period of training shall be of such size and character that, together with the instruction part of the course, it will occupy the full time of the veteran, will permit instruction in planning, management, and operation of most of the major farming enterprises in the veteran's farm and home plan and, at least by the end of the necessary minimum period of training, will assure him a reasonably satisfactory living under normal economic conditions.

(vii) The farm must have the necessary buildings and equipment to enable the veteran satisfactorily to commence pursuit of the course of institutional on-farm training, and there must be present conditions which give reasonable promise that any additional items required for pursuit of the course, including livestock, will be available as they become necessary.

(viii) The duration of the prescribed course shall represent a reasonable estimate—subject to lengthening or shortening, as necessary—of how long it will take to accomplish the goals set out in the overall farm and home plan.

(4) Where the course is designed to train the veteran to manage a farm as the employee of another, the plan for training developed by the Veterans Administration in collaboration with the instructor will satisfy the following requirements:

(i) A complete written survey of the farm on which the veteran is to pursue training prior to induction of the veteran into training and showing the kind and size of each enterprise being conducted on the farm, the kind and amount of equipment being used, the number of employees, and other factors which would indicate that the farm facility is satisfactory for purposes of vocational rehabilitation training.

(ii) The employer-trainer shall have agreed to employ the veteran as manager of the farm on which he is being trained if his conduct and progress remain satisfactory, or there shall be definite assurance that the veteran will be employed as manager of a specified comparable farm.

(iii) The individual instruction on the farm shall be given by the veteran's school instructor.

(iv) The employer-trainer's farm shall be of a size and character which, together with the group instruction part of the course, will occupy the full time of the veteran and will permit instruc-

tion in all aspects of the management of a farm of the type for which the veteran is being trained.

(v) The employer-trainer shall agree to instruct the veteran in various aspects of farm management in accordance with the individual training program developed by the Veterans Administration in collaboration with the instructor and employer-trainer.

(vi) The employer-trainer's farm shall have the necessary supplies and equipment which will permit instruction in all aspects of the management and operation of a farm of the type on which the veteran is being trained.

(vii) The employer-trainer shall have agreed to pay the veteran for each successive period of training a salary or wage rate commensurate with the value of the veteran's productive labor and not less than that customarily paid to a non-veteran-trainee in the same or similar training situation in that community.

Title 41—Public Contracts and Property Management

CHAPTER 101—FEDERAL PROPERTY MANAGEMENT REGULATIONS

SUBCHAPTER E—SUPPLY AND PROCUREMENT

[FPMR Amendment E-155]

PART 101-32—GOVERNMENT-WIDE AUTOMATED DATA MANAGEMENT SERVICES

Reutilization of Automatic Data Processing Equipment and Supplies and Reporting Excess or Exchange/Sale ADPE

This amendment updates policies and procedures on reutilization of ADPE. It provides for timely reporting of the fair value in lieu of accrued purchase option credits of leased ADPE when this ADPE is released. This amendment also provides for written authorization from the General Services Administration (GSA) to the holding agency for exchange/sale excess ADPE.

The table of contents for Part 101-32 is amended by adding or revising the following entries:

101-32.301-8	Automatic release date (ARD).
101-32.301-10	Want list.
101-32.305	Want list and holds.
101-32.308	Donation and sale of surplus ADPE.
101-32.309	Use of the ADP Fund.
101-32.309-1	General conditions of an ADP Fund lease.
101-32.309-2	Reporting ADP Fund equipment excess.
101-32.309-3	Transfer of ADP Fund equipment.
101-32.309-4	Guarantee of ADP Fund equipment.

Subpart 101-32.3—Reutilization of Automatic Data Processing Equipment and Supplies

1. Section 101-32.301-2 is amended to read as follows:

§ 101-32.301-2 Federal agency.

"Federal agency" means executive agencies (executive departments or independent establishments in the executive branch of the Government,

including wholly owned Government corporations) and establishments in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, and the Architect of the Capitol and any activities under his direction). For the purpose of this subpart, also included in the definition of Federal agency are Government grantees and contractors of Federal agencies who operate ADPE under grants, contracts, or subcontracts, and use the equipment in support of these grants, contracts, or subcontracts when ADPE is:

2. Sections 101-32.301-8, 101-32.301-10, and 101-32.302 are revised to read as follows:

§ 101-32.301-8 Automatic release date (ARD).

"Automatic release date" (ARD) means the date established by GSA on which screening or advertising of excess Government-owned ADPE or exchange/sale ADPE to Federal agencies is terminated. The ARD signifies the date that Government-owned ADPE is transferred from excess to surplus status or the date the ADPE is released for exchange/sale. For Government-leased ADPE, the ARD is the date established by the holding agency as the date on which the equipment will be returned to the supplier.

§ 101-32.301-10 Want list.

"Want list" means an inventory of ADPE requirements maintained by GSA on the basis of needs expressed by Federal agencies for which demand may be potentially satisfied from excess or exchange/sale ADPE when reported.

§ 101-32.302 Reassignment of ADPE within Federal agencies.

(a) Government-owned ADPE not declared excess shall be reassigned within the agency when it is no longer required for the purpose for which it was acquired and the agency has another approved requirement which can best or most economically be met by reassigning this ADPE. When Government-owned ADPE can be substituted for ADPE intended to be acquired by lease or purchase or when Government-owned ADPE can be adapted for other further use, the intended acquisition action shall be stopped. Title transfer (under the authority of FPMR 101-46) between such owned ADPE and leased ADPE shall be considered as a means of reducing rental payments. ADPE shall be reassigned as specified in § 101-32.303-2.

(b) The reassignment of Government-leased ADPE that has not been declared excess and that is no longer required for the purpose and use for which it had originally been acquired is in the nature of a sole source procurement action and, therefore, must be accomplished as specified in Subpart 101-32.4 and other regulations governing sole source ADPE procurements.

(c) When there is no approved requirement for ADPE within the agency and ADPE is determined to be excess, this

ADPE shall be reported to GSA as specified in Subpart 101-32.47.

3. Sections 101-32.303-2, 101-32.305, and 101-32.306 are amended to read as follows:

§ 101-32.303-2 Considerations for use of excess Government-owned or -leased ADPE.

(c) ADPE acquired under any plan; e.g., fixed term, extended term rental, or other such plan, wherein payments are still due shall be subject to the same conditions as leased ADPE in this Subpart 101-32.3.

(d) Since excess leased ADPE accrues substantial purchase option credits, agencies shall consider this equipment as a replacement for installed leased ADPE which has accrued fewer credits to the Government.

(e) When competing requirements exist for excess ADPE, GSA will determine the assignment of such ADPE to an agency on the basis of the greatest economic advantage to the Government.

§ 101-32.305 Want list and holds.

§ 101-32.306 Requests for transfer of excess ADPE or exchange/sale ADPE.

(c) An SF 122 for excess leased ADPE shall contain a statement to indicate either that the requested equipment represents the least overall cost or that a sole source determination has been made and documented. In either case, if the equipment cost exceeds the dollar threshold established in Subpart 101-32.4, then a delegation of procurement authority is required.

(e) GSA will forward the original of the approved SF 122 to the holding agency and one copy to the requesting agency.

4. Sections 101-32.308 and 101-32.309 are redesignated and revised to read as follows:

§ 101-32.308 Donation and sale of surplus ADPE.

Government-owned ADPE reported in accordance with Subpart 101-32.47 and not reutilized by Federal agencies shall be held by the reporting agency pending compliance with the requirements of Parts 101-44 and 101-45.

§ 101-32.309 Use of the ADP Fund.

(a) Excess Government-owned ADPE having a fair market value, as may be announced in the ADPE Availability List, and which is to be reutilized within the Federal Government, may be transferred to the ADP Fund. Such ADP Fund equipment will be leased to requiring agencies at a cost that represents the least cost alternative available to agencies.

(b) When excess leased ADPE with purchase option credits or exchange/sale ADPE can satisfy agency data process-

ing requirements, GSA will consider using the ADP Fund to purchase the equipment for the requesting agency in accordance with Subpart 101-32.4.

5. Sections 101-32.309-1 through 101-32.309-4 are added as follows:

§ 101-32.309-1 General conditions of an ADP Fund lease.

The lessee shall:

(a) Be responsible for all charges, if any, for transportation, rigging and drayage, packing, and crating of equipment under the lease agreement;

(b) Be responsible for the expense of any necessary alterations or attachments subsequently installed on the equipment;

(c) Be responsible for any expenses necessary to remove any attachment installed under paragraph (b) of this section if requested by the lessor;

(d) Arrange and pay for any technical equipment modifications;

(e) Pay for equipment maintenance (The equipment shall be kept under continuous maintenance during the period of the agreement.);

(f) Provide written notice to GSA prior to any relocation of equipment to other sites;

(g) Be responsible for periodic confirmation of detailed property accountability records, which shall be maintained by GSA; and

(h) Retain use of the equipment as long as required under the terms and conditions of the agreement. (Ownership of the equipment shall remain with the ADP Fund.)

§ 101-32.309-2 Reporting ADP Fund equipment excess.

Ninety calendar days prior to the anticipated release date of ADP Fund equipment, the leasing agency shall notify the General Services Administration (GSA), Washington, DC 20405, by letter, of its intention to discontinue the lease. An SF 120, Report of Excess Personal Property, clearly marked with the words "ADP Fund" shall be enclosed.

§ 101-32.309-3 Transfer of ADP Fund equipment.

In followup to a telephone reservation of ADP Fund equipment, the requesting agency shall submit a commitment letter to the General Services Administration (GSA), Washington, DC 20405. This letter shall include the term and the dollar amount of the lease agreement (as discussed), the agency point of contact (with address and telephone number), the shipping address and instructions, and the applicable agency appropriation symbol. GSA then will prepare the SF 122, Transfer Order, Excess Personal Property, to initiate equipment shipment and will submit the lease agreement and the approved SF 122 to the requesting agency's designated official.

§ 101-32.309-4 Guarantee of ADP Fund equipment.

(a) Agencies participating in the leasing program pay charges for transportation of the equipment to the designated site(s); arrange for and pay the cost of

any refurbishment needed to bring the equipment up to maintenance standards; and forward to the General Services Administration (GSA), Washington, DC 20405, a statement of the costs incurred for inspection and the estimate of the cost of refurbishment.

(b) If GSA authorizes the leasing agency in writing to proceed with refurbishment, GSA will reimburse the agency in the amount authorized for the inspection and refurbishment costs upon receipt of an SF 1080, Voucher for Transfers Between Appropriations and/or Funds, or SF 1081, Voucher and Schedule of Withdrawals and Credits. GSA will not reimburse the leasing agency for transportation costs.

(c) If GSA decides not to authorize the agency to proceed with the refurbishment on a reimbursable basis, GSA will offer the equipment to the agency "as is" on a no-cost basis. If the agency accepts the offer, GSA will not reimburse the agency for transportation, inspection, or refurbishment costs, and the agency may use the equipment as long as required without reimbursement to GSA. If the agency does not accept this offer, GSA will reimburse the agency for transportation and inspection costs and will forward shipping instructions to the holding agency.

Subpart 101-32.47—Reports

Section 101-32.4702 is amended as follows:

§ 101-32.4702 Reporting excess or exchange/sale ADPE.

(a) The SF 120 shall include the appropriate condition code designation as defined in § 101-43.4902-1 and shall contain the manufacturer's name, equipment type and model number, and full description of the ADPE to determine whether the ADPE may satisfy another agency's requirement. Since ADPE suppliers have adopted no uniform method of identifying certain ADPE systems, components, features, cables, or other devices such as terminators and junction boxes used with the equipment, the complete nomenclature for such equipment as used by the supplier shall be identified and reported on the SF 120. Parts or devices shall not be removed

after the ADPE is reported to GSA as excess. If any part or device has been removed from the ADPE, a statement identifying those parts or devices shall be made on the SF 120. In addition, the status of each individual component and feature shall be shown to indicate whether it is leased, purchased, or leased with option to purchase. If the equipment is leased or leased with option to purchase, the fair value shall be shown on the SF 120. The fair value is the difference between original acquisition cost and accrued purchase option credits. Government-owned and -leased ADPE shall not be reported on the same SF 120.

(c) The words "Exchange/Sale Property" shall be displayed prominently on the original and three copies of the SF 120 when reporting ADPE that is to be replaced pursuant to exchange/sale provisions of Part 101-46. The acquisition cost and the reimbursement required, which shall not be greater than the cash (sale) or exchange (trade-in) bid that the reporting agency has received for the specific ADPE, shall be shown on the SF 120. If there is any change to a cash or exchange bid subsequent to the submission of an SF 120, a revised SF 120 indicating the new cash or exchange bid shall be promptly submitted to GSA. Agencies will be advised promptly, in writing, of the date the original or revised SF 120 is received by GSA. Such equipment shall not be sold or exchanged prior to written authorization from GSA 90 calendar days from that date unless otherwise notified by GSA. The following statement shall be inserted on the SF 120 for exchange/sale property:

A written administrative determination has been or will be made to apply to exchange allowance or proceeds of sale in acquiring similar items by other than lease.

(Sec. 205(c), 63 Stat. 390 (40 U.S.C. 486(c)))

Effective date. This regulation is effective on November 5, 1974.

Dated: October 21, 1974.

DWIGHT A. INK,
Acting Administrator
of General Services.

[FR Doc.74-25782 Filed 11-4-74;8:45 am]

Title 49—Transportation

SUBTITLE A—OFFICE OF THE SECRETARY OF TRANSPORTATION

[OST Docket No. 1; Amdt. 1-98]

PART 1—ORGANIZATION AND DELEGATION OF POWERS AND DUTIES

Delegation to the Director of Pipeline Safety

The purpose of this amendment is to redelegate to the Director of Pipeline Safety the authority delegated by the Secretary at 49 CFR 1.58(d)(3) under the 1973 amendments to the Mineral Leasing Act, 30 USC 185, to make annual inspections of pipelines on Federal lands and to promulgate and administer regulations governing pipelines on Federal lands under jurisdiction of the Department.

Since this amendment relates to Departmental management, procedures and practices, notice and public procedure thereon are unnecessary and it may be made effective in fewer than 30 days after publication in the FEDERAL REGISTER.

In consideration of the foregoing, Appendix A of 49 CFR Part 1 is amended by adding a new subparagraph (3) as follows:

APPENDIX A—DELEGATIONS AND REDELEGATIONS BY SECRETARIAL OFFICERS

1. Director, Office of Pipeline Safety

OFFICE OF THE SECRETARY

DIRECTOR, OFFICE OF PIPELINE SAFETY

Redelegation of Pipeline Safety Authority

(3) 30 USC 185 relating to pipelines on Federal lands.

Effective date. This amendment is effective November 5, 1974.

(Section 9(e), Department of Transportation Act, 49 USC 1657(e); secs. 1.52(b)(1) and 1.58(d)(3), Regulations of the Office of the Secretary, 49 CFR 1.52(b)(1) and 1.58(d)(3).)

Issued in Washington, D.C., on October 30, 1974.

BENJAMIN O. DAVIS, Jr.,
Assistant Secretary for Environment, Safety and Consumer Affairs.

[FR Doc.74-25691 Filed 11-5-74;8:45 am]

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF THE TREASURY

Customs Service

[19 CFR Part 24]

CUSTOMS FINANCIAL AND ACCOUNTING PROCEDURE

Customs Bills for Deferred Taxes on Imported Alcoholic Beverages

Notice is hereby given that pursuant to the authority of R.S. 251, as amended (19 U.S.C. 66), and sections 623, 624, 46 Stat. 759, as amended (19 U.S.C. 1623, 1624), it is proposed to amend paragraphs (f) and (h) of § 24.4 of the Customs Regulations (19 CFR 24.4 (f) and (h)), to specify the name and number of the form used by the United States Customs Service to bill importers for deferred taxes on alcoholic beverages and to eliminate the procedure whereby an importer is sent a second Customs bill on that form when the initial Customs bill for the deferred taxes has not been paid within the specified period.

Pursuant to § 24.4(f) (1) of the Customs Regulations, each importer who has been permitted to pay on a semi-monthly basis the estimated import taxes on alcoholic beverages entered, or withdrawn from warehouse, for consumption by him during such period will be billed at the end of each semi-monthly period for all taxes deferred during that period. The bill, accompanied by a statement listing each tax amount deferred and the related entry number, must be paid in full by the last day of the next succeeding deferral period.

Section 24.4(h) (1) currently provides that when any bill for deferred taxes is not paid within the period specified in § 24.4(f) (1), the importer shall be sent a Notice of Amount Due, Customs Form 6084, and a copy shall be sent to the surety on his bond.

Customs Form 6084 has recently been revised, and is now known as the United States Customs Service Bill. That form will be used to bill importers for deferred taxes pursuant to § 24.4(f) (1) of the Customs Regulations. As a consequence, the use of Customs Form 6084 again, pursuant to § 24.4(h) (1) as a notice to the importer of a Customs bill past due, would be both inappropriate and unnecessary. The proposed amendments provide that in the event the initial bill for deferred taxes on Customs Form 6085 is not paid within the specified time, a demand for payment shall be made to the surety on the importer's bond.

Accordingly, it is proposed to amend paragraphs (f) (1) and (h) (1) of § 24.4 of the Customs Regulations (19 CFR

24.4 (f) and (h)), in the following manner:

24.4 Optional method for payment of estimated import taxes on alcoholic beverages upon entry, or withdrawal from warehouse, for consumption.

(f) ***

(1) *Billing.* Each importer who has deferred tax payments on imported alcoholic beverages will be billed on Customs Form 6084, United States Customs Service Bill, at the end of each tax deferral period for all taxes deferred during the period. Each bill will identify each tax amount deferred and the related entry numbers. These bills must be paid in full by the last day of the next succeeding deferral period.

(h) ***

(1) When any bill on Customs Form 6084 for deferred taxes is not paid within the period specified in paragraph (f) of this section, a demand for payment shall be made to the surety on the importer's bond. ***

Data, views, or arguments with respect to the foregoing proposal may be addressed to the Commissioner of Customs, Attention: Regulations Division, Washington, D.C. 20229. To insure consideration of such communications, they must be received not later than December 5, 1974.

Written material or suggestions submitted will be available for public inspection in accordance with § 103.8(b) of the Customs Regulations (19 CFR 103.8(b)), at the Regulations Division, Headquarters, United States Customs Service, Washington, D.C., during regular business hours.

[SEAL] VERNON D. ACREE,
Commissioner of Customs.

Approved: October 29, 1974.

DAVID R. MACDONALD,
Assistant Secretary of the Treasury.

[FR Doc. 74-25821 Filed 10-4-74; 8:45 am]

Fiscal Service

[31 CFR Parts 202, 203]

DEPOSITORY CONTRACT PROVISIONS

Notice of Proposed Rulemaking

Correction

In FR Doc. 74-25301, appearing on page 38386 in the issue of Thursday, October 31, the following changes should be made:

1. After the sixth line of § 292.4, insert the following: "Executive Order 11246, entitled 'Equal'".

2. The date appearing above the signature at the end of the document should read "October 25, 1974".

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 1065]

[Docket No. AO-86-A32]

MILK IN THE NEBRASKA-WESTERN IOWA MARKETING AREA

Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreements and to Order

Correction

In FR Doc. 74-25220, appearing at page 38233 in the issue for Wednesday, October 30, 1974, on page 38235 in the third column delete the second line of the fourth full paragraph and insert the following: "regulation was established by the deci-".

Agricultural Stabilization and Conservation Service

[7 CFR Part 730]

RICE

Marketing Quotas, Acreage Allotments, County Normal Yields, and Referendum on Marketing Quotas for 1975 Crop

Pursuant to the authority contained in applicable provisions of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301, 1352, 1353, and 1354), the Secretary of Agriculture is preparing to determine whether marketing quotas are required to be proclaimed for the 1975 crop of rice; to determine and proclaim the national acreage allotment for the 1975 crop of rice; to apportion among States and counties the national acreage allotment for the 1975 crop of rice; to establish county normal yields for the 1975 crop of rice; and to establish a period for conducting a referendum on marketing quotas in the event quotas are proclaimed for the 1975 crop of rice.

Section 354 of the act provides that whenever in the calendar year 1974 the Secretary determines that the total supply of rice for the 1974-75 marketing year will exceed the normal supply for such marketing year, the Secretary shall, not later than December 31, 1974, proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in 1975. Within 30 days after the issuance of such proclamation, the Secretary shall conduct a referendum by

secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether farmers are in favor of or opposed to such quotas.

Section 352 of the act, as amended, provides that the national acreage allotment of rice for 1975 shall be that acreage which the Secretary determines will, on the basis of the national average yield of rice for the 5 calendar years 1970 through 1974, produce an amount of rice adequate, together with the estimated carryover from the 1974-75 marketing year, to make available a supply for the 1975-76 marketing year not less than the normal supply. The Secretary is required under this section of the act to proclaim such national acreage allotment not later than December 31, 1974.

Section 353(c)(6) of the act, as amended, provides that the national acreage allotment of rice for 1975 shall be not less than the national acreage allotment for 1956, including the 13,512 acres apportioned to States pursuant to paragraph (5) of Section 353(c) of the act. Under this provision, the national acreage allotment of rice for 1975 will be not less than 1,652,596 acres.

As defined in Section 301 of the act, for purposes of these determinations, "total supply" for any marketing year is the carryover of rice for such marketing year, plus the estimated production of rice in the United States during the calendar year in which such marketing year begins and the estimated imports of rice into the United States during such marketing year; "normal supply" for any marketing year is the estimated domestic consumption of rice for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus the estimated exports of rice for the marketing year for which normal supply is being determined, plus 10 per centum of such consumption and exports, with adjustments for current trends in consumption and for unusual conditions as deemed necessary; and "marketing year" for rice is the period August 1-July 31.

Section 353 (a) and (c) (6) of the act requires that the national acreage allotment of rice for the 1975 crop, less a reserve of not to exceed 1 per centum thereof for apportionment to farms receiving inadequate allotments because of insufficient State or county allotments or because rice was not planted on the farm during all the years of the base period, be apportioned among the several States in which rice is produced in the same proportion that they shared in the total acreage allotted to States in 1956 (State acreage allotments, plus the additional acreage allocated to States under Section 353(c)(5) of the act as amended).

The State acreage allotment of rice for the 1975 crop would be apportioned to producers in "producer States" and to farmers in "farm States" in accordance with the Regulations for Determination of Acreage Allotments for 1974 and Subsequent Crops of Rice (§§ 730.61 to 730.87; 39 FR 9186; 39 FR 15021).

Section 301(b)(13)(D) of the act provides that the "normal yield" of rice for

1975 for any county shall be the average yield per acre of rice for the county during the 5 calendar years 1970 through 1974 adjusted for abnormal weather conditions and trends in yields. Provision is made therein that if for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations of the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

Section 301(b)(13)(F) of the act provides that if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any county for any year during the years 1970 through 1974 is less than 75 per centum of the average, 75 per centum of such average shall be substituted therefor in calculating the normal yield per acre; and if on account of abnormally favorable weather conditions, the yield for any county for any year during the years 1970 through 1974 is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre.

Prior to making any of the foregoing determinations with respect to marketing quotas and national, State, and county acreage allotments, and county normal yields for the 1975 crop of rice, including national, State and county reserves, and announcing the period of the referendum, if marketing quotas are required, consideration will be given to data, views, and recommendations pertaining thereto which are submitted in writing to the Director, Cotton, Rice and Oilseeds Division, Agricultural Stabilization and Conservation Service, United States Department of Agriculture, Washington, D.C. 20250. All written submissions must be postmarked not later than November 20, 1974, to be sure of consideration. All written submissions made pursuant to this notice will be made available for public inspection at such times and places and in a manner convenient to the public business (7 CFR 1.27(b)).

Signed at Washington, D.C. on: October 30, 1974.

KENNETH E. FRICK,
Administrator, Agricultural Stabilization and Conservation Service.

[FR Doc. 74-25681 Filed 11-4-74; 8:45 am]

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

[29 CFR Part 1952]

CALIFORNIA PLAN

Proposed Supplements to Approved Plan

1. *Background.* Part 1953 of Title 29, Code of Federal Regulations, prescribes procedures under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667) for review of changes

and progress in the development and implementation of State Plans which have been approved in accordance with section 18(c) of the Act and Part 1902 of this Chapter. On May 1, 1973, a notice was published in the FEDERAL REGISTER (38 FR 10717) concerning the approval of the California Plan and of the adoption of Subpart K of Part 1952 containing the decision. Section 1952.173 of Subpart K sets forth the developmental schedule under which the plan will meet the criteria of section 18(c) of the Act and Part 1902 within three years following commencement of operations under the plan. On September 11, 1974, the State of California submitted a supplement to the plan involving the completion of developmental steps and requested an extension of time for the accomplishment of another goal. (See Subpart B of 29 CFR Part 1953).

The supplements submitted by the State concern the completion of 4 developmental steps. The first of these is that the Occupational Safety and Health Standards Board has begun operations. The board has adopted regulations pertaining to its responsibilities in the field of variances which are set forth in Title 8 of the California Administrative Code.

The Occupational Safety and Health Appeals Board, which is responsible for the review of contested citations, has also begun operations. The Board has adopted procedural regulations and has commenced adjudicating contested cases. This board has adopted regulations, Articles 1 through 5 in Chapter 1.5, Title 8, California Administrative Code, which are attached to the supplement. The Board began receiving and hearing appeals and rendering decisions in early 1974.

The State has completed the major initial effort in education and training for employers, employees and the general public as was promised by the State in its plan for the early months of plan implementation. This effort consisted for the most part of 23 one-day seminars covering the State Occupational Safety and Health Act, safety orders, recordkeeping requirements, and the role of the Department of Health in providing technical support for enforcement activities. Estimated attendance at the seminars totaled 24,000 persons, 14,000 of whom were formal registrants.

Recordkeeping and reporting requirements have been extended to State and local governments as provided for in the approved plan. Regulations for these requirements, which appear in Sections 14700-14710 in Title 8 of the California Administrative Code, were adopted and became effective on June 1, 1974. State and local public agencies were required to begin their recordkeeping on July 1, 1974.

The State has requested a change in the developmental schedule for the completion of a fully functioning system of inspection scheduling which was originally set for one year following plan approval. Delays caused by recruitment difficulties and a major computer conversion, now resolved, necessitated the

postponement of the completion of the system until March 31, 1975.

2. *Location of the plan and its supplements for inspection and copying.* A copy of the plan and its supplements may be inspected and copied during normal business hours at the following locations: Office of the Associate Assistant Secretary for Regional Programs, Occupational Safety and Health Administration, Room 850, 1726 M Street NW., Washington, D.C. 20210; Office of the Assistant Regional Director for Occupational Safety and Health, Room 9410, Federal Office Building, 450 Golden Gate Avenue, San Francisco, California 94102; Agriculture and Services Agency, 1220 N Street, Room 114, Sacramento, California 95814; Department of Industrial Relations, 455 Golden Gate Avenue, Room 999, San Francisco, California 94102; and Division of Industrial Safety, 3460 Wilshire Boulevard, Los Angeles, California 90010.

3. *Public participation.* Interested persons are hereby given until December 5, 1974, in which to submit written data, views and arguments concerning whether the supplement should be approved. Such submissions are to be addressed to the Associate Assistant Secretary for Regional Programs at his address as set forth above under location of the plan and its supplements.

Any interested person may request an informal hearing concerning the proposed supplements, by filing particularized written objections with respect thereto within the time allowed for comments with the Associate Assistant Secretary for Regional Programs. If in the opinion of the Assistant Secretary substantial objections are filed, which warrant further public discussion, a formal or informal hearing on the subjects and issues involved may be held.

The Assistant Secretary shall consider all relevant comments, arguments and requests submitted in accordance with this notice and shall thereafter issue his decision as to approval or disapproval of the supplements, make appropriate amendments to Subpart K of Part 1952 and initiate further appropriate proceedings if necessary.

(Secs. 8(g) 18, Pub. L. 91-596, 84 Stat. 1600, 1608 (29 U.S.C. 657(g), 667))

Signed at Washington, D.C. this 31st day of October, 1974.

JOHN STENDER,
Assistant Secretary of Labor.

[FR Doc. 74-25815 Filed 11-4-74; 8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 32]

FROZEN STRAWBERRIES

Proposed Definition and Standards of Identity and Quality

Correction

In FR Doc. 74-22800 appearing at page 35809 in the issue for Friday, October 4, 1974, make the following changes:

1. On page 35812, the first column, the second paragraph from the bottom, the second line, first word which reads "distinguished" should read "disintegrated".

2. On page 35814, the third column, the second paragraph, the fourth line, the date should read "January 2, 1975."

[21 CFR Part 620]

BIOLOGICAL PRODUCTS

Proposed Additional Standards for Cholera Vaccine

Correction

In FR Doc. 74-22091, appearing at page 34297 in the issue for Tuesday, September 24, 1974, and corrected on page 37650 in the issue of Wednesday, October 23, 1974, the second line of § 620.31(a) should read "Ogawa serotype and a strain of Inaba serotype of".

DEPARTMENT OF TRANSPORTATION

Coast Guard

[33 CFR Part 117]

[CGD 74-257]

AIWW, HALLANDALE, FLA.

Proposed Drawbridge Regulations

At the request of the City of Hallandale, the Coast Guard is considering revising the regulations for the East Hallandale Beach Boulevard drawbridge (SR-824) across the Atlantic Intracoastal Waterway in Hallandale, Florida. This change will provide restricted periods when the draw need not open for the passage of vessels on a year-round basis, rather than the seasonal basis now in effect. This change is being considered because of a significant increase in vehicular traffic from May 16 through November 14.

Interested persons may participate in this proposed rule making by submitting written data, views, or arguments to the Commander (oan), Seventh Coast Guard District, Room 1028, Federal Building, 51 SW First Avenue, Miami, Florida 33130. Each person submitting comments should include his name and address, identify the bridge, and give reasons for any recommended change in the proposal. Copies of all written communications received will be available for examination by interested persons at the office of the Commander, Seventh Coast Guard District.

The Commander, Seventh Coast Guard District, will forward any comments received before December 5, 1974, with his recommendations to the Chief, Office of Marine Environment and Systems, who will evaluate all communications received and take final action on this proposal. The proposed regulations may be changed in the light of comments received.

In consideration of the foregoing, it is proposed that Part 117 of Title 33 of the Code of Federal Regulations, be amended by revising § 117.446b to read as follows:

§ 117.446b SR-824 drawbridge, AIWW, Hallandale, Fla.

(a) The draw shall open on signal from 6:15 p.m. to 10:15 a.m. From 10:15 a.m. to 6:15 p.m. the draw need not open except on the quarter and three-quarter hour to allow any accumulated vessels to pass, and except as provided in paragraph (b) of this section.

(b) The draw shall open at any time for the passage of public vessels of the United States, tugs with tows, cruise boats operated on a regular schedule or vessels in distress. The opening signal from these vessels is four blasts of a whistle, horn, or by shouting.

(c) The owner of or agency controlling this bridge shall post, on both sides of the bridge, signs that state the conditions of this regulation. These signs shall be of such size that they may be easily read from an approaching vessel at any time.

(Sec. 5, 28 Stat. 362, as amended, sec. 6(g) (2), 80 Stat. 937; (33 U.S.C. 499, 49 U.S.C. 1655(g) (2)); 49 CFR 1.46(c) (5), 33 CFR 1.05-1(c) (4))

Dated: October 25, 1974.

R. I. PRICE,
Rear Admiral, U.S. Coast Guard,
Chief, Office of Marine Environment and Systems.

[FR Doc. 74-25762 Filed 11-4-74; 8:45 am]

[46 CFR Part 151]

[CGD 73-275]

UNMANNED BARGES CARRYING CERTAIN BULK DANGEROUS CARGOES

Proposed Additions of Sodium Sulfide Solution (NTE 10%) and Sulfur Dioxide; Extension of Comment Period

In the FEDERAL REGISTER of September 5, 1974 (39 FR 22147), the Coast Guard published a correction to the notice of proposed rule making that added the vent requirements for sodium sulfide solution (NTE 10%) and sulfur dioxide to the proposed amendment to Table 151.05 of Title 46, Code of Federal Regulations. The original notice was published in the FEDERAL REGISTER on July 16, 1974 (39 FR 26042). The comment period for the original notice had run before the publication of the correction. Because of the substantive nature of the correction, the Coast Guard has determined that an extension of the period for comments is in the public interest and in compliance with the Administrative Procedure Act, 5 U.S.C. 553(c).

In consideration of the foregoing, the period for comments on Coast Guard notice CGD 73-275 that was published in the FEDERAL REGISTER on July 16, 1974 (39 FR 26042) is extended for 30 days to December 5, 1974.

((5 U.S.C. 553(c), 46 U.S.C. 375, 416, 49 U.S.C. 1655(b) (1)); 49 CFR 1.46(b))

Dated: October 30, 1974.

D. H. CLIFTON,
Captain, U.S. Coast Guard, Acting
Chief, Office of Merchant Marine Safety.

[FR Doc. 74-25761 Filed 11-4-74; 8:45 am]

[46 CFR Part 401]

[CGD 74-233]

GREAT LAKES PILOTAGE REGULATIONS

Proposed Operating Requirements, and Suspension and Revocation of Certificates of Authorization

The Coast Guard is considering amending the Great Lakes Pilotage Regulations by establishing additional operating requirements for U.S. Registered pilots and holders of certificates of authorization to form pilot pools. This notice also proposes criteria for suspending and revoking Certificates of Authorization.

Interested persons are invited to submit written comments and suggestions to the Executive Secretary, Marine Safety Council (G-CMC/82), Room 8234, 400 Seventh Street S.W., Washington, D.C. 20590. Each person submitting a comment should include his name and address, identify this notice (CGD 74-233), any wording recommended, and give reasons for any recommendations. All comments will be available for examination in Room 8234.

The Coast Guard will hold a public meeting at which interested persons will be heard on November 20, 1974, at 1:00 p.m., in the Office of the Commander, Ninth Coast Guard District, room 2069, at 1240 East Ninth Street, Cleveland, Ohio. It is requested that anyone wishing to present a statement at the meeting notify the Commander, Ninth Coast Guard District (dgp) at the above address at least two days before the meeting of the time needed for his presentation. Written summaries or copies of oral presentation are encouraged. All comments received before November 26, 1974 will be evaluated before final action is taken on this proposal. The proposed regulations may be changed in light of the comments.

The Great Lakes Pilotage System is operated under the guidelines of a Memorandum of Arrangements negotiated between the Secretary of Transportation of the United States and the Minister of Transport of Canada. In the preamble to the current Memorandum of Arrangements effective July 7, 1970, it was agreed that there should be a continuing review of Great Lakes Pilotage. In October 1970 the U.S. Department of Transportation initiated a study of Great Lakes Pilotage. This study, published in May 1972, was the basis for the U.S. Department of Transportation Statement of Policy for Pilotage on the Great Lakes System, which was published on June 16, 1973, and circulated to interested persons. A quote from page 5 of this Statement reads:

Responsibility for Pilot Availability. To ensure that the responsibility for continuous availability rests not only on individual pilots but also on the pilot associations, existing regulations should be modified to make the authorized pilot organizations responsible for assuring continuous availability of pilots.

These proposed amendments would implement this policy by adding the following requirements for the holders of Certificates of Authorization.

Proposed new § 401.335 would establish the criteria under which the Director may suspend or revoke a Certificate of Authorization. Section 401.335(a)(1) would require compliance with § 401.320. Section 401.320 contains the requirements that a Voluntary Association must meet to be issued a Certificate of Authorization. If a holder fails to continue to meet these requirements, the Director may suspend or revoke its certificate. Section 401.335(a)(2) would require the holder of a certificate to comply with all sections in Part 401. Section 401.335(b) would establish the procedures the Director follows in suspending or revoking a Certificate of Authorization. The holder is given the opportunity to cure its non-compliance with the regulations before the Director may suspend or revoke the certificate. Section 401.335(c) would establish conditions for immediate suspension or revocation of a certificate.

Section 401.340(a) presently requires registered pilots to comply with the working rules of their pool. It would be revised to add "except to the extent provided in § 401.720(b)" to allow pilots to provide pilotage service when dispatched by the Director notwithstanding contrary working rules of their pool.

Proposed new Subpart G in Part 401 would include operating requirements for U.S. registered pilots and holders of Certificates of Authorization and would authorize the Director to dispatch registered pilots.

Proposed new § 401.700 would establish operating requirements for U.S. registered pilots. The requirement in § 401.700(a) to provide pilotage service is a condition that a pilot agrees to, when he becomes a U.S. registered pilot under § 401.210(a)(7). Section 401.700(a) would establish a continuing operating requirement, which, if not complied with, may subject the pilot to the civil penalties described in § 401.500. Section 401.700(b) would require a pilot to provide pilotage service when dispatched by the Director.

Proposed new § 401.710 would establish operating requirements for the holders of Certificates of Authorization. Section 401.710(a) would require the holder of a Certificate of Authorization to comply with the terms of all agreements on Great Lakes Pilotage between the United States and Canada. Cooperation by the authorized pools with the Canadian and U.S. Governments and with Canadian pilots is necessary for an effective pilotage system. Paragraphs (b) and (c) of § 401.710 would require continuing compliance with items that the Voluntary Association agrees to when it is issued a Certificate of Authorization under § 401.320(d)(1) and (6). Section 401.710(d) would require the holder to provide pilots in accordance with its working rules. Section 401.710(e) would require the holder to comply with its working rules, except when the Director

dispatches pilots. Section 401.710(g) would require the holder to make available to the Commandant all of its financial and operating records, in addition to any audits the Commandant may require. A violation of any requirement of § 401.710 may subject the holder to the civil penalty described in § 401.500.

Proposed new § 401.720 would authorize the Director to dispatch registered pilots. Under § 401.720(b) the Director could dispatch pilots when pilotage service is provided inequitably between U.S. registered pilots and Canadian pilots or when no pilotage service is supplied.

Section 402.320 will be amended to insert current effective dates in the references to the working rules of the pools.

To have these proposed rules in force before the close of the current shipping season, the Coast Guard intends to make these amendments effective immediately after publication of the final rule.

In consideration of the foregoing it is proposed to amend Part 401 of Title 46 of the Code of Federal Regulations as follows:

1. By adding a new paragraph (a) (11) to § 401.110 to read:

§ 401.110 Definitions.

(a) * * *

(11) "Person" includes an individual, registered pilot, partnership, corporation, association, voluntary association, authorized pool, or public or private organization other than an agency.

2. By revising § 401.330(a) to read:

§ 401.330 Certificates of Authorization.

(a) Subject to § 401.300(b), an association that is qualified to establish a pool in a District or area is issued a Certificate of Authorization that is valid until suspended or revoked under the procedures in § 401.335.

* * *

3. By adding a new § 401.335 to read:

§ 401.335 Suspension or revocation of a Certificate of Authorization.

(a) The Director may issue an order to suspend or revoke a Certificate of Authorization if—

(1) The holder of a Certificate of Authorization does not continue to meet the requirements under § 401.320; or

(2) The holder of a Certificate of Authorization does not comply with the requirements of this part.

(b) Before issuing an order to suspend or revoke, the Director notifies the holder of a Certificate of Authorization of the reasons for the proposed suspension or revocation and gives the holder an opportunity to comply with the requirements of this part.

(c) If the Director finds that the violation of a requirement of this part involves public health, interest, or safety, or that the violation is willful, the Director may issue an order to suspend or revoke the Certificate of Authorization without giving notice under paragraph (b) of this section. This order contains the reasons for the Director's action.

4. By revising § 401.340(a) to read:

§ 401.340 Compliance with working rules of pools.

(a) United States or Canadian registered pilots utilizing the facilities and dispatching services of any authorized pool will comply with the working rules of the pool as referenced in § 402.320, except to the extent provided in § 401.720 (b), and with other rules of the pool that are related to those facilities and services.

5. By adding a new Subpart G to read:

Subpart G—Operating Requirements for U.S. Registered Pilots and Holders of Certificates of Authorization; Authority of the Director Over Operations

- Sec.
401.700 Operating requirements for U.S. registered pilots.
401.710 Operating requirements for holders of Certificates of Authorization.
401.720 Authority of the Director over operations.

§ 401.700 Operating requirements for U.S. registered pilots.

Each U.S. registered pilot shall—

- (a) Provide pilotage service when dispatched by his pool; and
(b) Comply with the dispatching orders of the Director under § 401.720(b).

§ 401.710 Operating requirements for holders of Certificates of Authorization.

Each holder of a Certificate of Authorization shall—

- (a) Comply with the terms of any agreement for services by registered pilots on the Great Lakes between an appropriate agency of Canada and the Secretary, his designated agent, or the Director;

(b) Coordinate on a reciprocal basis its pool operations with pool operations of the Canadian Government, under the "Memorandum of Arrangements, Great Lakes Pilotage, Between the Secretary of Transportation of the United States of America and the Minister of Transport of Canada", effective July 7, 1970;

(c) Provide pilotage service on a first-come, first-served basis to vessels that give notice of pilotage service requirements to the pilotage dispatch station, except pilots are not required to board a vessel that does not furnish safe boarding facilities;

(d) Provide pilotage service under the terms of its approved working rules as referenced in § 402.320;

(e) Comply with its approved working rules as referenced in § 402.320, except to the extent provided in § 401.720(b);

(f) Comply with all accounting procedures and reporting requirements in this chapter; and

(g) Make available to the Commandant all of its financial and operating records.

§ 401.720 Authority of the Director over operations.

(a) This section does not limit the authority of the Director under any other section in this chapter.

(b) When pilotage service is not provided or not provided in accordance with the pool's working rules, the Director may order any U.S. registered pilot to provide pilotage service.

§ 402.320 [Amended]

6. By amending § 402.320(a)(1) by striking the date "March 25, 1965" and inserting "July 10, 1968" in place thereof.

7. By amending § 402.320(a)(2) by striking the date "September 15, 1965" and inserting "October 14, 1970" in place thereof.

8. By amending § 402.320 by deleting paragraph (a)(4).

9. By amending § 402.320(a)(5) by striking the date "March 22, 1965" and inserting "April 1, 1971" in place thereof.

(Sec. 4 and sec. 5, 74 Stat. 260 (46 U.S.C. 216b, 216c; sec. 6(a)(4), 80 Stat. 937, as amended (49 U.S.C. 1655(a)(4)); 49 CFR 1.46(a))

Dated: October 31, 1974.

D. H. CLIFTON,
Captain, U.S. Coast Guard, Acting
Chief, Office of Merchant
Marine Safety.

[FR Doc. 74-25758 Filed 11-4-74; 9:45 am]

Office of Pipeline Safety

[49 CFR Part 192]

[Docket No. OPS-31; Notice No. 74-7A]

DEFINITION OF GATHERING LINE

Extension of Comment Period

This notice extends the period for comment to Notice 74-7 published at 39 FR 34569 on September 26, 1974. Notice 74-7 proposes to clarify the existing definition of the term "gathering line" in Part 192. Interested persons were given until November 8, 1974, to submit written comments.

The American Petroleum Institute (API) has requested that the comment period be extended for at least 30 days. API alleges that the proposal in Notice 74-7 presents significant problems to gas producers and gatherers and that the additional time is necessary to develop technical information for the docket.

The Office of Pipeline Safety (OPS) encourages all interested persons to submit as much technical data as they deem essential for OPS consideration before final rule-making action is taken. However, because of the nature of the proposal in this case, while some additional time is not unreasonable, a full 30 days besides the time already provided does not appear warranted for preparation of technical information.

Therefore, the period for public comment to Notice 74-7 is hereby extended to November 22, 1974. Late filed comments will be considered so far as practicable.

This notice is issued under the authority of section 3 of the Natural Gas Pipeline Safety Act of 1968 (49 USC § 1672), § 1.58(d) of the regulations of the Office of the Secretary of Transportation (49 CFR 1.58(d)), and the redelegation of authority to the Director, Office of Pipeline Safety, set forth in Appendix A to Part 1 of the regulations of the Office of

the Secretary of Transportation (49 CFR Part 1).

Issued in Washington, D.C., on October 29, 1974.

JOSEPH C. CALDWELL,
Director,
Office of Pipeline Safety.

[FR Doc. 74-25693 Filed 11-4-74; 8:45 am]

[49 CFR Part 192]

[Docket No. OPS-30, Notice No. 74-6A]

OFFSHORE PIPELINE FACILITIES

Extension of Comment Period

This notice extends the period for comment to the advance notice of proposed rule making on offshore gas pipeline facilities published at 39 FR 34568 on September 26, 1974 (Notice 74-6).

Notice 74-6 invites public comment by November 22, 1974, on a variety of problem areas related to amending Part 192 to provide better safety regulation of pipeline facilities used in the transportation of gas offshore.

The American Society of Mechanical Engineers' (ASME) Gas Piping Standards Committee has requested that the period for comment be extended to the middle of December 1974. The Committee states that its Task Group, consisting of representatives of offshore operators and contractors, is developing recommended standards for offshore facilities which should be complete with justifications by early December. To allow sufficient time for submission of the proposals being developed, the ASME request is hereby granted.

The new deadline for public comment is December 13, 1974. Late filed comments will be considered so far as practicable.

This notice is issued under the authority of section 3 of the Natural Gas Pipeline Safety Act of 1968 (49 USC § 1672), § 1.58(d) of the regulations of the Office of the Secretary of Transportation (49 CFR 1.58(d)), and the redelegation of authority to the Director, Office of Pipeline Safety, set forth in Appendix A to Part 1 of the regulations of the Office of the Secretary of Transportation (49 CFR Part 1).

Issued in Washington, D.C., on October 29, 1974.

JOSEPH C. CALDWELL,
Director,
Office of Pipeline Safety.

[FR Doc. 74-25692 Filed 11-4-74; 8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[40 CFR Part 52]

[FRL 289-8]

WASHINGTON

Implementation Plan Revisions; Notice of Delay of Decision

On September 10, 1973, the State of Washington, after proper notice and public hearings, submitted several revisions to its implementation plan. The revisions included amendments to the

Washington Clean Air Act, changes in the rules of the Department of Ecology designed to implement the new legal authority, and changes to the regulations of local air pollution control agencies. The Administrator invited public comment on these revisions in the November 15, 1973, *FEDERAL REGISTER* (38 FR 31513). No comments were received by the Agency in the 30-day comment period.

Subsequent to that notice of receipt of revisions to the Washington implementation plan, the Administrator reviewed those revisions relating specifically to open burning—chapter 136, Laws of 1972, 1st ex. sess.; chapter 193 Laws of 1973, 1st ex. sess.; Washington Administrative Code (WAC) 18-12; and portions of Regulation I of the Puget Sound Air Pollution Control Authority, Regulations of the Northwest Air Pollution Authority, Regulation I of the Olympic Air Pollution Control Authority, Regulation I of the Grant County Clean Air Authority, and Regulation I of the Douglas County Air Pollution Control Commission. As a result of the review, the Administrator determined that additional explanation by the State is necessary on certain technical and legal points before the revisions may be approved.

The proposed revisions include an amended section of the State of Washington Clean Air Act which provides that a limited burning program will be established until such time as an alternate technology or method of disposing of organic waste is developed. The alternate technology must be reasonably economical and less harmful to the environment than open burning. To comply with this statute, the State of Washington Department of Ecology open burning regulation was revised to establish a procedure for certification of an alternative for open burning.

This notice informs the public that the Administrator has not made a final judgment on the proposed revisions to the Washington implementation plan dealing with open burning. The Regional Administrator of Region X has asked the State of Washington Department of Ecology to provide EPA with additional supportive information to be used in recommending a final decision to the Administrator. Specifically, the State has been requested to provide:

1. Guidelines on how the State and local authority open burning regulations will operate in concert.
2. A technical comparison of the stringency of the revised State open burning regulation with the State and local regulations in the approved implementation plan.
3. A technical comparison of the stringency of revised local regulations with the revised State regulation.
4. An Attorney General's opinion providing assurance that the proposed revisions, especially the local regulations, are operable under State law.

In view of this delay, the Administrator hereby announces a 30-day public comment period beginning November 5, 1974 and ending December 5, 1974. Comments are specifically invited not only on the proposed revisions, but on

any of the four points discussed above. Comments should be addressed to the Regional Administrator, Environmental Protection Agency, 1200 Sixth Avenue, Seattle, Washington 98101 Attention: Ms. Kathryn Higley M/S 629.

When the supplemental information from the State is received by EPA, the Administrator will announce his next action in the *FEDERAL REGISTER*.

(Sec. 110, Clean Air Act, as amended; (42 U.S.C. 1857c-5))

Dated: October 25, 1974.

CLIFFORD V. SMITH,
Regional Administrator.

[FR Doc.74-25688 Filed 11-4-74;8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 63]

[Docket No. 20097]

RESALE AND SHARED USE OF COMMON SERVICES AND FACILITIES

Order Extending Comment Time

1. In view of the substantial time and effort being devoted by many of the parties interested in this docket to on-going settlement conferences in another proceeding (Docket No. 20099) and the oral representations by such parties that an extension of time is needed herein because of such conferences, we are of the opinion that the date for filing comments and responsive pleadings herein should be postponed for 30 days.

2. Accordingly, *It is ordered*, Pursuant to delegated authority contained in § 0.303(c) of our rules (47 CFR 0.303(c)), that the time to file comments in this proceeding is extended until December 11, 1974; the time to file reply comments is extended until January 23, 1975; the time to file responses to reply comments is extended until February 21, 1975.

Adopted: October 30, 1974.

Released: October 30, 1974.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] KELLEY GRIFFITH,
Acting Chief,
Common Carrier Bureau.

[FR Doc.74-25756 Filed 11-4-74;8:45 am]

[47 CFR Part 73]

[Docket No. 20002; RM-2143 etc.]

FM BROADCAST STATIONS IN FLORIDA; TABLE OF ASSIGNMENTS

Order Extending Time in Which To File Opposition To Petition To Dismiss

In the Matter of amendment of § 73.202(b), table of assignments, FM broadcast stations. (Marco, Florida; St. Augustine, Florida; Milton, Florida; and Jacksonville, Florida)

1. On April 8, 1974, the Commission adopted a notice of proposed rulemaking in this proceeding (39 FR 13559). Among

¹ See also 39 FR 29936.

other things, that notice proposed to assign Channel 283 to St. Augustine, Florida (RM-2184). This assignment, if made, would require the substitution of Channel 288A for 285A at Atlantic Beach, Florida. Since Channel 285A at Atlantic Beach is presently occupied by Station WJNJ-FM, licensed to WKTX, Inc., the Notice ordered WKTX, Inc., to show cause why its license should not be modified to specify operation on Channel 288A instead of 285A if the Commission, in this proceeding, were to find in the public interest to assign Channel 283 to St. Augustine. The order was issued with the express understanding that the permittee of Channel 283 at St. Augustine would give reasonable reimbursement to WKTX, Inc. for expenses in connection with such a change.

2. On June 24, 1974, in comments filed in this proceeding, WKTX, Inc., suggested that Channel 283 be assigned to Jacksonville, Florida, and that Channel 288A be assigned to St. Augustine (a supplement to these comments was filed August 19, 1974). On July 15, 1974, the Commission issued a Public Notice (No. 917) stating that the WKTX, Inc. proposal was being treated as a counterproposal in this proceeding, and assigning it rule-making number RM-2405.

3. In response to our Show Cause Order, WKTX, Inc., filed a "Request for Hearing and Modification of Show Cause Order" in which it requested a hearing on the proposed modification of its license and also requested that the show cause order, mentioned above, be modified to specify operation of WJNJ-FM on Channel 283 at Jacksonville rather than Channel 288A at Atlantic Beach. On October 1, 1974, Jack D. Gordon, the petitioner for the Channel 283 assignment at St. Augustine, filed a "Petition to Dismiss" directed against that portion of the WKTX, Inc. pleading which requested modification of the order to show cause.

4. Under § 1.45(a) of the Commission rules, oppositions to any motion, petition or request must be filed within 10 days after the petition is filed. Under § 1.45(b), the person who filed the original pleading may reply to the opposition within 5 days after the time for filing oppositions has expired. WKTX, Inc., has indicated that it intends to file an opposition to the "Petition to Dismiss" and requests that the date for such filing be extended through November 8, 1974. In support thereof it states that the additional time is necessary in order to permit preparation of a full response to the matters raised in the "Petition to Dismiss." It also states that counsel for Jack D. Gordon, and for the City of Jacksonville (licensee of WJAX-FM, Jacksonville), which has expressed its interest in this proceeding by the filing of comments, have indicated that they would interpose no objection to such an extension of time. WKTX, Inc., further avers that the grant of an extension would not delay Commission action in this proceeding.

5. It appearing that the public interest would be served by granting the requested extension, *It is ordered*, That the

date for filing oppositions to the aforementioned "Petition to Dismiss" is extended to and including November 8, 1974.¹

6. This action is taken pursuant to authority found in sections 4(i), 5(d)(1), and 303(r) of the Communications Act of 1934, as amended, and § 0.281 of the Commission rules.

Adopted: October 29, 1974.

Released: October 30, 1974.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] WALLACE E. JOHNSON,
Chief, Broadcast Bureau.

[FR Doc.74-25755 Filed 11-4-74;8:45 am]

[47 CFR Part 76]

[Docket No. 20018; FCC 74-1163]

FEDERAL PRE-EMPTION OF CABLE TELEVISION TECHNICAL STANDARDS

Report and Order

In the matter of amendment of Part 76 of the Commission's rules and regulations relative to the advisability of Federal pre-emption of cable television technical standards or the imposition of a moratorium on non-Federal standards (39 FR 31331).

1. On April 15, 1974, we adopted our Clarification of the Cable Television Rules and Notice of Proposed Rulemaking and Inquiry, FCC 74-384, 46 FCC 2d 175, wherein, among other things, we invited public comment on the question of whether the field of cable television technical standards should be totally preempted by this Commission or a moratorium on additional non-Federal standards should be imposed until the completion of the work of the Commission's Cable Television Technical Advisory Committee (CTAC)¹ and the adoption of

further Federal standards. Thirty-seven comments and replies were received which addressed the question. The comments presented the views of municipalities, municipal associations, state agencies, cable television system operators and associations, electrical equipment standards organizations, television broadcasters, and private individuals. A broad spectrum of opinion and experience was presented. In addition, we have before us the recommendations of the Commission's Federal-State/Local Advisory Committee (FSLAC)² insofar as they concern the appropriate division of regulatory jurisdiction over the adoption and enforcement of technical standards.

2. At the time our technical performance standards regulating the cable television industry were initially adopted, we stated:

The general question of federal pre-emption of technical standards has been informally raised by a number of parties. Our technical standards provide only a start. They will be expanded and refined to meet changes in the state of the art. We see no reason why franchising authorities may not now require more stringent technical standards than those in Subpart K.³

At the time this statement was made, no State had adopted cable television technical standards and we had perceived no difficulties with such standards written into local franchise agreements. Subsequent to this, consultations with persons developing local technical standards suggested the possibility that there

receivers for cable television and determine the relationship between significant measurable parameters and picture quality ratings; identify and evaluate critical performance characteristics of input equipment for Class II channels; evaluate possible frequency assignment plans for Class II cable television channels; identify and evaluate current practices involving technical operations; investigate the need for, and feasibility of, developing interchangeability standards at the interface between cable TV service drop and terminals other than a broadcast TV receiver for use on Class III or IV cable TV channels; describe the technical operating environment involved in the formulation of cable standards; and identify areas of need for technical performance specifications with regard to providing desired interactive services. CTAC members will have recognized expertise in their fields and represent such diverse interests as electronic equipment manufacturers, broadcasters, cable system operators, common carriers, trade associations, communications consultants, educators, and civic groups. Its report should be before the Commission by early 1975.

¹ Like the technical advisory committee, the Commission announced its intention to create this Committee in the Cable Television Report and Order, 36 FCC 2d 143, 204, para. 170 (1972). It was established for the purpose of advising the Commission on problems concerning the allocation of regulatory responsibilities for cable television among federal, state and local levels of government. The committee's activities extended to all aspects of cable television regulation. Its membership represented a broad range of interests and its report to the Commission was submitted on September 21, 1973.

² Reconsideration of Cable Television Report and Order, 36 FCC 2d 326, 359-60, para. 91 (1972).

might be some conflict in the goals sought by local authorities in setting standards and our own.⁴ On May 23, 1973, the National Cable Television Association filed a petition for rule making (RM-2196) specifically asking that the Commission "... standardize the technical standards applicable to the cable television industry" and that the Commission not permit states and localities to deviate from the Commission's technical standards without an approved justification.

3. Noting the pendency of this petition and developments since the adoption of our initial technical standards, we instituted this rule making proceeding to obtain comment on the question of whether this field should be totally preempted or whether a moratorium on additional non-federal standards should be imposed. We have carefully reviewed the comments received in response to this notice and are now ready to act in this proceeding.

4. At the outset, we believe it appropriate to attempt to clear up one source of confusion that has obscured the debate in this proceeding. This proceeding has to do exclusively with the type of technical performance standards specified in Part 76, Subpart K, of our rules. That is, we are concerned with standards that are quantitative definitions of the electrical or optical characteristics of a signal source, transmission system, or terminating device. Such standards speak only to the shaping, amplification, attenuation, purity, etc., of the signals carried on cable systems. We are not concerned in this proceeding with mechanical or equipment standards designed to protect, for example, against extraordinarily corrosive environments, daily or seasonal temperature extremes, high winds, or rodent attack. Nor are we here directly concerned with the channel capacity of a system, protection against electrical supply outages, the placement of structures, construction practices, or electrical safety code enforcement. In some of the comments received, there appeared to be some concern that pre-emption of these areas was under consideration in this proceeding. That is not the case.

5. Additionally, there appeared to be some confusion over what is meant by a "minimum technical standard." When it is said that a technical standard or a set of such standards are minimum standards, several meanings can be implied. It may mean they are inherently deficient. It may also mean they are designed to account for a physical phenomenon.

⁴ The most obvious of these pertained to standards proposed for the regulation of non-broadcast channels. In adopting our access channel rules, we had specifically sought to encourage the use of low cost non-broadcast quality equipment. We stated "In this experimental stage, it would be self-defeating to require cable systems to carry access programming and at the same time meet stringent technical standards." Cable Report and Order, supra, at para. 143. Shortly thereafter it came to our attention that some state authorities were considering the adoption of broadcast quality technical standards applicable to these channels.

¹ From one point of view, the "Petition to Dismiss" is an opposition to the "Request for Hearing and Modification of Show Cause Order," the "opposition" thereto that WKTU, Inc., wishes to file is actually a reply, and the rules would provide for a period of 5 days for the reply. If the "Petition to Dismiss" is viewed as an initial type of pleading, then WKTU, Inc., would be allowed 10 days in which to file an opposition under the rules. We do not here rule on how the "Petition to Dismiss" is viewed, and the extension of time is granted regardless of our final decision on this question.

² The Commission announced its intention to create this advisory committee at the time it first adopted technical standards, 36 FCC 2d 143, 204 (1972). The Commission looks to the Committee for advice and recommendations concerning technical standards for carriage of broadcast and cable originated programming two-way communications, and various other cable services. The Committee functions through nine panels concerned with the following: identify appropriate technical parameters to be measured and recommend the necessary methods and instrumentation; determine the significant relationship between picture quality ratings and such factors as cross-modulation and intermodulation beats, "ghosting", and hum modulation of r.f. carrier; identify critical performance and design characteristic of TV

enon. Under the second meaning, however, the word "minimum" carries with it no connotation of inferiority. It has reference, rather, to the quality of service that will be regarded as acceptable at the worst point in the cable network due to cumulative effects.⁶ Such a standard is minimum in the sense that it should, at least theoretically, be exceeded and the quality of service superior at all other points in the system. Further, a body of standards can be considered minimum in the sense of being explicitly incomplete regarding the control of those characteristics which have a presently imprecisely known effect on the performance of a system. It is the sense of these last two meanings which we encompass in our use of the word "minimum." The uninitiated should thus not assume that the constant references to our minimum standards constitute an admission that they are inherently inferior. Hopefully this should serve to resolve some of the qualms of the many commenters who may have been misled by technical semantics.

ARGUMENTS AGAINST FEDERAL PRE-EMPTION

6. Only local technical standards can meet the variety of local needs. Among those comments urging that the Commission not act to pre-empt cable television technical standards regulation, the most common argument was that only through the adoption of local standards can varying local needs be met. This was the position posited by most municipalities, municipal organizations, and State agencies commenting. These entities viewed their communities or jurisdictions as substantially disparate and expected to reflect the differences in unique cable television technical standards. Although many comments urged this view, stressing phrases such as "local needs," "differing needs and desires," "differing economic, demographic, geographic, and climatic factors," "level of technical quality," "manner and quality of service," "best possible service," "superior service," "performance level," "high quality system," and "state-of-the-art system," few were specific regarding the electrical characteristics to which they had addressed or intended to address their regulatory efforts. Two major categories of justification can, however, be distilled from the comments.

7. Some see peculiar local needs arising from unique physical conditions. However, few commenters alluded to the nature of these unique physical conditions—high ambient RF field strengths and extreme climatic variations—and no one suggested which cable system elec-

trical characteristics would be set forth or amended by local regulation in order to accommodate such conditions. For example, the City of Phoenix, Arizona, stated that " * * * it would seem to be difficult to design national standards which are as valid for Phoenix's summertime 116 degree heat; the midwest's sub-zero temperatures, blizzards and ice storms; yet still accommodate coastline rain, humidity, and corrosive salt spray."

8. Some see peculiar needs arising from unique social conditions such as affluence or enhanced perceptions of visual and aural acceptability. Thus, as suggested in the comments filed for the City of Anaheim, California, a wealthy community might argue that its subscribers could afford a standard higher than less affluent communities or than a general national standard. While may made this general argument, here again specifics as to the electrical characteristics at issue were not generally presented. Among those that were specific, some sought improved signal-to-noise ratios, cross modulation ratios, and converter frequency stabilities. Others sought standards relating to non-broadcast television signals, "ghosting," phase characteristics, and transient response—all characteristics that the Commission has delayed acting on until CTAC provides additional guidance.

9. Federal standards are inadequate and require supplementation at the local level. Our own standards for cable television system technical performance do not, as was acknowledged at the time of their adoption, regulate all of the electrical characteristics of system performance.⁷ For example, envelope delay, differential gain and phase, and other color transmission related electrical characteristics are not covered in our rules but were referred to CTAC as matters requiring further study. The present absence of these and similar standards at the federal level are, thus, cited as a reason for allowing the introduction at the local or state level of regulations covering these system parameters. Certain members of the staff of the Cable Television Information Center, for example, commented that the local franchising authorities and state regulatory bodies should be free to impose higher standards which they deem to be appropriate to particular local conditions in order to assure delivery of high quality cable television service to subscribers.

10. Local technical standards can be more easily changed than Federal standards, thus keeping pace with the rapidly changing technology. Many of the comments were based on the idea that local technical standards can be more easily changed than federal standards, thus keeping pace with a rapidly changing technology.⁸ Several parties underscored the time lag between the initiation of a Commission rule making proposal and the final adoption of rules. This process

may take as little as two or three months to complete, or it may take years, normally depending on the importance or complexity of the issues involved. The process at the local or state level of modifying standards applicable to individual systems or of adopting new types of standards is said to exceed in speed and flexibility the process at the federal level, as well as provide a creative laboratory for the testing of standards which may one day be found worthy of adoption as national standards.

11. Local technical standards will provide optimal handling of complaints. Some commenters have suggested that the best and fastest response to complaints of "poor service" will result if local governments enforce their own technical standards.⁹ In addition, the feeling was expressed that the development of local standards would create a body of local expertise without which local enforcement of technical standards could not effectively take place.

ARGUMENTS FOR FEDERAL PRE-EMPTION

12. Uniform national cable television standards are necessary to effectively execute a national policy of providing to all the people of the United States a rapid, efficient, adequate, nation-wide and world-wide telecommunication service at reasonable charges. Cable television systems are becoming an integral part of the communications structure of the United States. They are or can be interposed between broadcast systems, private microwave, common carrier microwave, satellite and a variety of terminal devices. A broad array of analog (television, radio, facsimile) and digital signals are distributed by these integrated systems. In many cases, the signals are originated far distant from the ultimate user. Proponents of federal pre-emption argue that cable systems' use of local rights of way and their ability to supply local community services does not mean that they should be excised from this national communications structure and subjected to varying local regulations. This position was repeatedly posited by most cable system operators, cable system associations, industry standards groups and collectively represented the view of those advocating the cause of federal pre-emption. The joint comments of Colony Communications, Inc., et al., suggest the essence of this position as follows:

Cable television systems are integral links in the chain of interstate communications and each system constitutes an integral element of a fledgling and developing industry. Moreover, the industry is characterized by a number of companies which have cable operators in various states. Efforts by States or municipalities to directly or indirectly exercise authority beyond their respective borders, or if the results of such exercise necessarily have ramifications beyond those boundaries, are actions which constitute serious impingements on interstate commerce. In consequence, Federal parameters are essential to avoid the over extension of local power in this area.

⁶ Cable Television Report and Order, supra, n. 2 at para. 170.

⁷ See comments filed for League of Wisconsin Municipalities.

⁸ See, e.g., comments filed for the City of Anaheim, California.

⁹ Because the characteristics of signal sources, transmission systems, and terminal devices vary as functions of time, distance, loading, etc., boundary conditions and value tolerances must be specified in standards. For some standards, the tolerance should be a "plus" or "minus" value; for others, the specified value of the characteristic itself may be the "minimum." Hence, the reference to a "minimum" standard.

13. *Uniform national standards involve a broader scope of technical expertise, and allow a unified point of contact necessary to assess national communications policy.* Many of the comments stated that the Commission's rule making process typically involves individuals and organizations with substantially greater experience and expertise in the communications field than exists at the non-federal level and urge for this reason that standards should be set at the federal rather than local level of government. One commentator put the matter as follows:

Broadband Communications is not a simple application of transmission engineering. It encompasses a wide area of electronic technologies and operating skills. It requires awareness of the evolutionary development of hardware, devices and communications services. * * * Unlike highly specialized equipment for military use or industrial processes, where cost may be a secondary consideration to the ultimate in performance, we are dealing with a service for a mass consumer market where the individual subscriber, the television viewer and the user of communications services pays the cost. Protection of the public requires experienced judgment of what each additional dollar will buy in terms of improved performance. It requires evaluation of the effect on investments the public has already made as well as a decision as to what is truly necessary and when increased performance does not justify the concomitant cost. It requires an equitable division of design tolerances between the various devices that comprise a total system. This work calls for mature and experienced judgments and knowledge of the history and technical trends of the telecommunications industry as well as professional skills.*

14. *The existence of expertise at the Federal level, the complexity of the economic and technical trade-offs that must be made in adopting technical standards, and the necessity for relating these decisions both to the Commission's goals for cable television and to national interests in the regulation of broadcast communications and in the production of broadcast television reception equipment are urged as reasons for exclusive national control over system performance standards.*

15. *Uniform national standards encourage standardization of test equipment performance and techniques and a common understanding of terms and definitions.* For technical standards to be meaningful, criteria for testing performance must be specified. If the electrical characteristics of cable television systems and signal sources set forth in regulations are to be verified by the cable system operator and governmental authorities, test equipment possessing known and stable characteristics must be utilized. These requirements, it is urged, must be spread across many cable television systems if the cost for each system tested is not to be unreasonable. Uniform standards, it is urged, will facilitate this process. Likewise uniform standards facilitate the training of tech-

nical personnel and the use of trained personnel across political boundaries which might otherwise have imposed different standards or have different definitions of similar standards.

16. *Uniform national standards encourage the development of cable television systems because of assurance that technical requirements will not vary capriciously among different communities.* The cable television system operators represented in the comments unanimously stated that non-federal technical standards would have an adverse impact on the development of their systems. TelePrompter Corporation which currently operates over 140 cable systems in 33 states said:

Technical standards for cable are a matter of substantial concern to [TelePrompter] because of their impact upon the capital cost and economic viability of present and future cable plant facilities and services [footnote example omitted]. Inevitably, there is a spill-over of the economic consequences of more restrictive technical standards on other aspects of the services provided by the cable operator. For example, technical standards resulting in higher rates will reduce demand for cable service and lower cable's penetration in a community. * * * Even more than franchise fees, local control over technical standards and hence the cable operator's expenditures on basic facilities offers unchecked leverage to subvert the Commission's regulatory scheme for cable.

The joint comments of 80 cable companies state:

The cable television industry is a highly capital-intensive industry and cannot readily support further unnecessary increases in its costs. * * * [T]he lack of * * * uniform standards will hamper the technical development of cable television because equipment will not be able to be manufactured for nationwide use.

The Broadband Communications Section, Communications Division, Electronic Industries Association (E.I.A.) said:

[N]ational standards will insure stability within the industry not only for manufacturers but for systems operators and investors. Implicit in the [E.I.A.] Section's desire for national standards is our concern that in their absence there will be a requirement for potentially large investments in incompatible systems and equipment, resulting in a reluctance to invest the necessary time and energy in the development of equipment to insure the growth of broadband communications, and an increase in cost to the general public.

17. *Uniform national standards encourage equipment designers and manufacturers to invest in hardware development and production because of assurance of a larger and more stable market for their products.* Some parties, including the Electronic Industries Association, a national voluntary standards organization, expressed the feeling that non-federal standards would have an adverse effect on the development of cable equipment. The E.I.A. Broadband Communications Section stated:

It is the Section's view that national standards are requisite to the orderly development of broadband communications. Such

national standards are as necessary to that development as they have been to the development of the telephone system, broadcasting services, microwave communications, and a variety of other communications systems and services. Benefits which can accrue to the development of broadband communications from uniform standards include the encouragement offered to manufacturers to invest in development and production because of the assurance of a large national market, along with a thrust toward more rapid development of such equipment.

18. *Uniform national standards encourage the establishment of national and regional services, particularly data, because of assurance of uniform transmission characteristics.* Parties urging the need for federal standards have indicated that uniform national standards are particularly important for acceptable transmission of digital information and that uniform signal standards are imperative for the development of data services. TelePrompter states:

Diverse and uncoordinated state regulation of technical standards may also seriously jeopardize the prospects for future utilization of cable systems for non-video services. * * * [T]he future development of such services should not be in any manner impaired by a jumble of locally promulgated technical standards. The disruptive effect is far more likely with respect to technical standards for new services than with respect to those relating to the quality of broadcast signals delivered on the cable. In the latter case, the Commission's Rules applicable to the quality of the basic broadcast signal and of television receivers narrow the types of technical specifications that can be adopted by local authorities. By contrast, local jurisdictions are drafting standards applicable to nonvideo services in a relative vacuum; and the risk of inconsistent approaches is quite likely.

TelePrompter points out that we have recognized cable as an important gateway for new digital services and have in the past expressed our intention to insure against arbitrary blockage of this gateway.

19. *Uniform national standards are necessary to insure that the investment by the public in terminal equipment will be reasonable and compatible.* Both the Broadband Communications Section and the Consumer Electronics Group of the Electronic Industries Association elaborated on the impact of non-uniform standards on the subscriber's equipment. The Broadband Communications Section states:

National standards, unaffected by political boundaries, assure that the investment by the public in equipment will be protected. For example, if there were no national standards, a citizen who relocates might find himself unable to use previously purchased equipment at his new location.

The Consumer Electronics Group states:

[We are] concerned that a proliferation of non-Federal cable television technical standards will seriously impair the manufacturers' ability to provide the public with the best practical cable television receivers at a reasonable price. State and local promulgation

* Letter from Mr. Hubert Schlafly, Chairman of CTAC Steering Committee.

of such standards will invariably mean different standards so that manufacturers will be required to manufacture sets on a state-by-state or possible, on a locality-by-locality basis rather than on a national basis. This would inevitably lead to a less efficient use of manufacturing facilities and higher consumer prices for such 'custom designed' receivers. Moreover, such a pattern of Federal, state and local regulation of cable television technical standards would seriously interfere with the development of improved cable television receivers since improvements might not be usable on a nationwide basis.

CONCLUSION

20. A review of the voluminous filings in this proceeding and our own experience over the past few years convince us that there is a compelling need for national uniformity in cable television technical standards. Distributive/collective broadband communications networks, typified by cable television systems, are among the most complex and rapidly evolving communications systems in the world today. Our approaches to regulation in general, and technical standards in particular, must be sufficiently flexible to allow for new developments, without at the same time creating such a climate of uncertainty as to deter the commitment of major economic resources to these developments. We have come to realize that this is a delicate balance. It might well be achieved by continuing our present approach of incomplete federal standards complemented by additional state or local standards. But we are persuaded now that such a balance is more likely to be achieved through the adoption of nationwide standards, more complete and refined than our present standards, with built-in flexibility in the interim allowing for liberal waivers in those instances in which:

1. we have set no standard and there is a demonstrated state or local need for such standard; or
2. our standard is demonstrably inadequate to meet clear state or local needs or conditions.

Despite the localized nature of cable television and our recognition of it in such areas as franchising (see § 76.31 of our rules), our entire interstate system of communications is greatly affected by the development of cable television. It is increasingly imperative that all of us involved in cable recognize that its impact is nationwide.

21. Since the adoption of the Communications Act of 1934, this Commission has had a congressionally mandated obligation to foster and promote " . . . a rapid, efficient, nation-wide and world-wide wire and radio communications service . . . " (Section 1). It is increasingly clear to us that cable television is becoming an integral link in that system. The full panoply of communications media, including broadcasting, microwave, wire, and even satellite must be regulated in a fully coordinated manner to assure the ultimate workability of the over-all system. Nowhere is this more obvious than in the area of technical standards. The long

term goal of an efficient nationwide communications system cannot be achieved if one segment of that system develops with a multiplicity of jurisdictionally mandated, non-uniform technical characteristics that may result in incompatibility. Whatever the transmission medium, electromagnetic signals do not change their characteristics according to political boundaries.

22. When we initiated our comprehensive regulatory program for cable in 1972, we took only the first steps toward the development of technical standards. Many of the parties filing in this proceeding note that the technical standards we adopted are incomplete. This was conceded when they were promulgated. We took a very conservative approach to the development of standards because we recognized that, in light of the rapid evolution of the technology, there was an inadequate base of information from which to formulate them.

23. The need for more information took us in two directions. First, we established CTAC to aid us in developing the complex data base necessary to devise appropriate standards. Second, we allowed franchising authorities to promulgate additional technical standards not inconsistent with ours. These additional standards have proved to be a valuable tool in determining the advantages and problems of various proposed standards in actual test situations.

24. In reviewing the various standards that have been locally promulgated we note, as can be expected, that they cover the entire range of possibilities, from highly sophisticated standards developed after full studies of the technical and socio-economic effect of the proposed regulations to clearly unworkable or impossibly excessive demands.

25. Some argue that we should not be concerned with the "impossible" demands since they cannot and will not be met and therefore will have no impact. We cannot agree with this laissez faire attitude. In some instances such demands might have far broader implications than are immediately recognized on the local level. For example, in a good faith attempt to assure their local constituents a high quality picture on origination and access channels, several franchising authorities have attempted to impose stringent standards on Class II channels. The unforeseen result of that decision, however, was to effectively prohibit the use of low-cost video equipment in favor of broadcast quality equipment. This, in turn, makes the initiation of origination or access programming economically prohibitive—a result that we clearly cannot accept. Further, such standards may have an even broader impact on the ability of the cable industry and independent cable programmers to network their product, particularly if the standards are looked to as a model for other cities or are adopted at the state level.

26. The imposition of non-uniform technical standards in certain areas may also have a deleterious effect on the development of new cable services, particularly in the field of data transmission.

Uniformity in the parameters of the technical characteristics for data transmission is essential to the successful use of cable for this purpose. The effect of standards designed simply to improve video signals for television reception on other potential uses of the broadband network must be taken into account before variations from uniform technical standards can be allowed.

27. Another long-range effect of non-uniform standards also causes us great concern. The development and marketing of signal source, transmission, and terminal equipment could be seriously impeded by non-uniform standards. The spectre of having to manufacture specialized equipment based on jurisdictionally imposed technical standards cannot be ignored. This is particularly true regarding devices which might be bought or leased by the user. Our experience with the now developing "foreign attachment" and private line equipment industry in telephony presents a compelling argument for uniformity in the analogous field of cable.

28. Those who argue against the adoption of uniform standards generally restrict their arguments to the provision of service, particularly television service, to local subscribers. This, of course, is to be expected since that is the largest part of cable's service today. We must, however, look beyond the present. As noted above, many local entities have done an excellent job in adopting different and sometimes highly specialized technical standards that go far beyond our present rules. Where appropriate, we will allow such experimentation to continue. Technical standards have been developed on the local and state level dealing with such characteristics as "ghosting," and intermodulation products. Similarly many communities have adopted a higher signal-to-noise ratio than our present rules specify. Here again, we recognize that there is room for reasonable differences of opinion and the usefulness of these local efforts is readily acknowledged. But, in our view, the focus of developing technical standards must shift to the national level to achieve that previously mentioned balance between innovation and certainty. Our standards should insure good service in most instances. They take into account not only the technical questions involved but also the cost-benefit considerations in an area as subjective as picture quality. Of course we recognize that in certain instances different conclusions will be reached. When such conclusions can be supported both from a technical and a socio-economic standpoint, and they meet the conditions referred to in Paragraph 30, above, we will grant waivers to allow the variation until such time as subsequently adopted federal standards remove the need for the state or local variation. We expect that the supportive documentation for such waivers, along with the results of CTAC's work, will provide the basis for the promulgation of additional and more refined standards.

29. As a basic point of departure, however, we now find that there is a necessity to rationalize, interrelate, and bring

into uniformity the myriad standards now being developed by numerous jurisdictions. We, therefore, are pre-empting the field of technical standards while at the same time encouraging the development of well supported alternative standards at the local or state level. These alternatives, however, will be subjected to rigorous review to be sure that they do not interfere with the ultimate uniformity and interconnectability we are striving to achieve. We note particularly, the inappropriateness of government imposed digital signal standards for cable television at this time. By pre-emption, we do not suggest our imminent establishment of such standards. It is clear, however, that adoption of state or local standards in this area would be premature and unacceptable.

30. Enforcement of technical standards continues to be of primary concern to this Commission. Many parties, however, have argued against federal pre-emption on the grounds that locally adopted standards are more easily and efficiently enforced. While we have recently added to our own enforcement capability through the acquisition of new mobile testing equipment, we agree that any assistance we can obtain in the efficient and appropriate handling of subscriber complaints would be helpful and welcomed. This is not to say, however, that different local standards are needed before local jurisdictions become involved in assuring that an appropriate response results when complaints are received. Of course, if waivers are sought in the area of different or additional technical standards, they will be granted only upon a showing of local capability to enforce them.

31. By our action in this matter of technical standards, we are hopeful of initiating a new cooperative effort at all levels of government to aid in the development of uniform technical standards that will serve the national interest and allow cable television to fulfill its technological promise.

32. The broad pre-emptive policy we are adopting today will ultimately affect all cable systems. Such effect will be gradual as the systems and our rules are refined. The numerous diverse technical standards existing today cannot remain in force if they are found to be inconsistent with the goals of uniformity and interconnectability announced herein. We recognize, however, that many of the pre-existing technical standards adopted by cities and states cannot be shown to adversely affect our stated goals. Therefore, all systems that have additional non-federally imposed technical standards that are either operational or have been certified by this Commission by January 1, 1975, will be grandfathered as to those standards. Systems neither operational nor certified by January 1, 1975, will be required to obtain a specific waiver of our rules before a certificate of compliance will be issued based on an application that includes different or additional technical standards. Further, as to grandfathered standards, cable television system operators may seek

specific special relief pursuant to § 76.7 of the Rules for any pre-existing technical standard that can be shown to be inconsistent with the policy we have announced today.

33. Authority for the adoption of this ruling is contained in Sections 1, 2, 3, 4 (i) and (j), 301, 303, 307, 308, and 308 of the Communications Act of 1934, as amended.

It is ordered that this proceeding is terminated.

Adopted: October 22, 1974.

Released: October 31, 1974.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] VINCENT J. MULLINS,
Secretary.

[FR Doc. 74-25750 Filed 11-4-74; 8:45 am]

[47 CFR Part 83]

[Docket No. 20212; FCC 74-1136]

APPLICANTS FOR PUBLIC SHIP STATION LICENSES

Proposed Eligibility Requirements

1. In this notice of proposed rulemaking, the Commission is proposing amendment of § 83.301 of the rules to provide that only the owner of a vessel, or operator of a leased vessel, may be the licensee of a public ship station. We are proposing, further, that the outstanding licenses of public ship stations continue in force until expiration and that at the time of renewal, where a change in licensee is required, that the owner or operator of the vessel apply for the license for the public ship station.

2. The primary purpose of the change in eligibility is to place the responsibility for proper operation of the public ship station with the person having control, as either the owner/operator of the vessel, or as the lessor/operator of the vessel on which the public ship station is authorized. This rule change will not affect those persons who are both the licensee of a public ship station and the owner/operator or lessor/operator of the vessel on which the public ship station is installed. This rule change will affect those communication companies which are presently the licensees of large numbers of public ship stations aboard vessels which they do not own or operate.

3. The present practice of licensing communication companies to be the licensee of a public ship station dates back many years (Pre-1937) to the period when, among other things, those companies assigned radio operators to ship stations and through that assignment process carried out their responsibility for proper station operation. These companies have long since ceased assigning radio operators to ship stations and have little, if any, control over the operation of those public ship stations. Under current conditions, the radio operator is normally assigned¹ to a ves-

sel by the labor union and is paid by the shipping company. Thus, the link between the communications company and the radio operator is tenuous, at best, since it is of a contractual nature, and the radio operator is not a party to the contract.

4. There is a third category of licensee of public ship stations which falls between the two categories discussed above, which we consider to be acceptable and which, also, is not affected by this rule change. This third category describes the case where the shipping company (owner/operator and/or lessor/operator of its vessels) has established a subsidiary communications corporation who is the licensee of the radio facilities serving that company. We consider this third category acceptable because the link between the public ship station, the licensee and the shipping company is direct.

5. In addition to the primary purpose discussed above, there are secondary long-term effects which we consider to be either adverse to evolutionary improvements in maritime communications necessary to maintain pace with changes in vessel operation and advancement in communication/electronics techniques, or which are contrary to the public interest, as discussed in paragraphs 6 and 7, below.

6. With regard to improvements, either the communication company or the shipping company can, with equal ease, keep itself informed on advancement in communication/electronics technique. A communication company, however, is less capable of maintaining pace with changes in vessel operation as applied by the individual shipping companies. Lastly, we believe it would be unreasonable and impractical to expect a communication company to monitor the multiple considerations involved within any one shipping company, or the differences between all shipping companies, which goes into determining the evolutionary changes in vessel operation and the selection of a communication capability to optimize such vessel operation. It is our view that resolution of matters of such a complex nature can only be carried out by personnel within the shipping company. As the communication alternatives expand, we believe that the capability to apply choice appropriately rests with the shipping company.

7. With regard to the public interest considerations, a communication company, as licensee of hundreds of the larger type of vessels, is in a position to dictate or to strongly influence the selection of equipment which is installed aboard those vessels. A manufacturer of maritime electronic equipment, or a manufacturer considering entry into the maritime electronic field, may not compete with other manufacturers to sell his equipment, even though it may surpass all other such equipment, to one or more shipping companies because of the real or implied veto capability of the licensee of the public ship station to include that equipment on the ship station license. On the other hand, by licensing the public ship station to the owner/operator or

¹ 92.4% of United States flag ships, according to the United States Federal Maritime Administration, are assigned by union hiring employment offices.

lessor/operator, as discussed above, we remove the real or implied veto power from the communication company and place the selection of electronic equipment for ship station use with the shipping company.

8. The proposed amendments to the rules, as set forth below are issued pursuant to the authority contained in sections 4(i), 303(f), (g) (1) and (r) of the Communications Act of 1934, as amended.

9. Pursuant to applicable procedures set forth in § 1.415 of the Commission's rules, interested persons may file comments on or before December 6, 1974, and reply comments on or before December 16, 1974. All relevant and timely comments and reply comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision in this proceeding, the Commission may also take into account other relevant information before it, in addition to the specific comments invited by this Notice.

10. In accordance with the provisions of § 1.419 of the Commission's rules, an original and 14 copies of all statements, briefs, or comments filed shall be furnished to the Commission. Responses will be available for public inspection during regular business hours in the Commission's Public Reference Room at its headquarters in Washington, D.C.

Adopted: October 22, 1974.

Released: October 25, 1974.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] VINCENT J. MULLINS,
Secretary.

Section 83.301 of Part 83 of 47 CFR Chapter I is amended to read as follows:

§ 83.301 Supplemental eligibility requirements.

(a) Subject to the basic eligibility requirements set forth in § 83.23 and to the provisions of paragraph (b) of this section, authorizations for:

(1) Limited ship stations or marine utility stations may be granted to any person, or state or local government subdivision; or any agency of the Federal Government which is subject to the provisions of section 301 of the Communications Act; *Provided*, That an applicant for an authorization to operate a limited ship station or a marine-utility station must request a frequency assignment on which the transmission of public correspondence is excluded.

(2) Public ship stations¹ may be granted only to the owner or operator of the vessel, or to a subsidiary communications corporation of the owner or operator of the vessel, for which station authorization is requested; or state or local government subdivision; or any agency of the Federal Government which is subject to the provisions of Section 301

¹ Effective date: to existing stations on the expiration date of the outstanding public ship station authorization; and to new stations on the effective date of this rule amendment.

of the Communications Act; *Provided*, That an applicant for an authorization to operate a public ship station must request a frequency assignment on which the transmission of public correspondence is not excluded by any of the provisions of this part (although additionally he may request any other frequency assignment).

(b) When the availability of the frequency assignment requested, or any part thereof, is specifically dependent upon the activity and/or the routes of voyage of the vessel, the application shall clearly show eligibility of the vessel for such station authorization under the provisions of this part which govern the assignment of frequencies.

[FR Doc.74-25753 Filed 11-4-74; 8:45 am]

[47 CFR Part 97]

[Docket 19723]

**RADIO AMATEUR CIVIL EMERGENCY
SERVICE**

**Order Extending Time for Filing Reply
Comments**

1. The American Radio Relay League (ARRL) requests an extension of time until November 15, 1974, within which to file reply comments. (See 39 FR 32567).

2. The request is predicated on ARRL's inability to obtain copies of comments filed in response to the Notice of proposed rulemaking, which was aggravated by an intervening holiday and distribution to members of the petitioner's Emergency Communications Advisory Committee.

3. The Commission is aware that the comments received have been voluminous in both numbers received and content of individual filings. Further, it is aware that ARRL's counsel has recently been hospitalized for surgery and that he may not be able to adequately prepare and submit a timely reply comment during his period of recuperation.

4. The Commission considers the foregoing as constituting a showing of good cause for grant of ARRL's request for an extension of time in which to file reply comments. Since the additional time necessary to prepare responsive and meaningful comments, will not materially affect the interests of other known parties and should not unduly delay the commission's action on the instant proposal, the request for extension of time in which to file reply comments will be granted.

5. Accordingly, it is ordered, pursuant to section 5(d) of the Communications Act of 1934, as amended, and § 0.331(b) (4) of the Commission's rules, that the above described requests for extension of time filed by the ARRL is granted. The time within which to file reply comments in the above-entitled proceeding is extended until November 15, 1974.

Adopted: October 29, 1974.

Released: October 31, 1974.

[SEAL] CHARLES A. HIGGINBOTHAM,
Chief, Safety and Special
Radio Services Bureau.

[FR Doc.74-25754 Filed 11-4-74; 8:45 am]

FEDERAL POWER COMMISSION

[18 CFR Part 11]

[Docket No. RM75-11]

**CHANGE IN ANNUAL CHARGES FOR USE
OF MOST GOVERNMENT LANDS**

Notice of Proposed Rulemaking

OCTOBER 30, 1974.

Pursuant to 5 U.S.C. 553 and section 309 of the Federal Power Act (FPA) (49 Stat. 858-859; 16 U.S.C. 825h) the Commission gives notice that it proposes to amend § 11.21 of the regulations (18 CFR 11.21) in order to increase the annual charges paid the United States by licensees for the use of its lands.

Such charges are required by section 10(e) of the FPA (41 Stat. 1069; 49 Stat. 843; 16 U.S.C. 803(e)), which in pertinent part declares:

That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the Commission * * * for recompensing it for the use, occupancy, and enjoyment of its lands or other property; * * *, and in fixing such charges the Commission shall seek to avoid increasing the price to the consumers of power by such charges, and any such charges may be adjusted from time to time by the Commission as conditions may require: * * *

Beginning in 1937 annual charges were based on appraisals for each project, which found a wide range of values per acre. In part because the cost of appraisal was often excessive in comparison to the value of the land involved, an average annual charge per acre was developed and utilized beginning in 1942.

From 1942 to 1962, the uniform annual charge of \$2 per acre resulted from the apparent application of a 4 percent interest rate to a \$50 per acre average value.

Annual charges for use of lands of the United States were reviewed in 1962. As a result, on the apparent basis of an average land value of \$60 per acre at a 4 percent rate, a uniform annual charge of \$2.40 per acre was developed and has been utilized since that time.

In contrast to the above figures, an \$8 per mile per annum uniform charge for transmission line rights-of-way 100 feet in width has been set-out in § 11.21 for several years. It represents a charge of \$0.66 per acre presumably because such right-of-way does not preclude multiple use of the land involved.

Finally, § 11.21 presently sets a minimum annual charge for use of Government lands under any license at \$5.

It is proposed herein to revise the existing annual charges for use of Government lands.

We, of course, are bound by the requirement in section 10(e) and its legislative history that "the Commission shall seek to avoid increasing the price to the consumer" in setting charges which nevertheless are required to be made. It is our belief that this requires something more than a nominal charge but something less than, for example, a commercial rate. An interest rate (which must be applied to determine an annual charge) of 6 percent would appear to meet this standard. It would seem to

satisfy a test of reasonableness in that it is well below many of today's commercial interest rates, yet above a token rate.

While a 6 percent rate is utilized in the five alternative proposals which follow, we are considering as well the use of at least two external guidelines which each year could automatically adjust the interest rate applied in determining annual charges. We invite the public to consider and comment on these alternatives to the 6 percent rate.

The first is the discount or interest rate used for water resources planning by the U.S. Water Resources Council (WRC). It is based primarily on the average yield of long term (15 years or more to maturity) U.S. interest-bearing securities. As a result, it can adjust each year to reflect changed Federal borrowing costs but, because of a statutory requirement, cannot change by more than one-quarter of a percent in any year (see FEDERAL REGISTER of August 14, 1974, 39 FR 29242).

The second alternative to the 6 percent figure is an interest rate which equals "the average yield during the preceding fiscal year on interest bearing marketable securities of the United States which, at the time the computation is made, have terms of 15 years or more remaining to maturity." This Treasury Department language, of course, is the basis for the WRC discount rate discussed above. Its specific use, as opposed to the restrained WRC rate, would provide an interest rate which automatically equals the amount the Federal government must pay to borrow long-term funds. Such a rate currently is 6½ percent, while the WRC rate is 5½ percent.

As noted above, the use of specific appraisals of land values needed to determine individual project charges was once found to be unworkable in terms of cost. We believe that such a condition might exist today. As a result, the use of an average per acre value to be applied to all Government lands, subject to adjustment as conditions may warrant, appears to be a reasonable and acceptable alternative to separate appraisal.

The task of developing any such figure is aided by the existence of biennial reports to the Congress by the Bureau of Land Management and the U.S. Forest Service concerning the value of the lands administered by them. Because these two agencies are concerned with nearly all the Government lands which are affected by § 11.21 charges, their independent determinations as to land value appear valuable for our use. In addition, it is possible to utilize U.S. Department of Agriculture indices on farm values which correlate closely with other land values to revise the \$60 national average figure of 1962.

In the first three alternative proposals which follow, we set-out a national average value per acre, regional average values per acre, and finally state average values per acre. All are based primarily on the determinations and indices discussed above and appear to be reasonable for our use in the determination of annual land charges.

Notwithstanding the foregoing, a fourth alternative proposal exists because of our desire to consider an option involving the use of an average per acre value or values as concerns Government lands in projects constructed prior to January 1, 1975, and those projects initially licensed prior to January 1, 1975, and the use of specific assessments of Government lands in unconstructed projects initially licensed subsequent to January 1, 1975. Such assessments would be of competitive market value, determined as if the project were not to be constructed.

While we believe that individual appraisal of constructed project lands may be impractical, it appears that appraisal of Government lands to be included within unconstructed projects may be practical and provide more accurate land values.

A fifth alternative proposal exists which is similar in form to Alternative D; however, rather than calling for assessments to be determined as if the project were not to be constructed, Alternative E would require that assessments take into consideration the value of the land as a hydroelectric site.

Because transmission line right-of-way is susceptible to multiple use, it appears that a reasonable annual charge per acre as to it would be one-half of that imposed for the use of other project lands. While such a 50 percent figure is utilized in the five alternative proposals which follow, we invite the public to suggest and comment on alternative figures which they feel would be appropriate as well as reasonable.

So that the costs of collecting annual charges as to each project might be covered, the minimum annual charge for use of Government lands under any license is proposed to be raised to \$25.

It would appear that these increases in annual charges should be prospective, taking effect as of January 1, 1975, and first appearing in billings to licensees after January 1, 1976. However, a licensee under a license issued prior to August 26, 1935, should not be required to pay annual charges in an amount greater than that prescribed in such license (see, Order No. 272-A at 31 FPC 1555).

Finally, we propose that the bases of annual use charges should be reexamined and revised, if need be, at least every five years.

ALTERNATIVE A

As Alternative A, it is proposed to revise § 11.21 of Part 11, Chapter I of Title 18 of the Code of Federal Regulations to read as follows:

§ 11.21 Use of Government lands.

(a) Reasonable annual charges for recompensing the United States for the use, occupancy, and enjoyment of its lands (other than lands adjoining or pertaining to Government dams or other structures) or its other property, will be fixed by the Commission. In fixing such charges the Commission may take into consideration such factors as commercial value, the most profitable use for which

the lands or other property may be suited, the beneficial purpose for which said lands or other property have been or may be used, and such other factors as the Commission may deem pertinent. Such charges shall be subject to reexamination by the Commission at least every five years and, upon reasonable notice and opportunity for hearing, may be adjusted thereafter.

(b) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands shall be set on the basis of the following:

(1) Such lands shall be valued at a national average of \$150 per acre, and an interest rate, as determined under paragraph (6) (2) of this section, shall be multiplied times that value to determine the annual charge per acre.

(2) The interest rate to be utilized in determining the annual charge per acre shall be 6 percent.

(c) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands for transmission line right-of-way only shall be based on a per acre charge which is one-half of the charge determined under paragraph (b) of this section.

(d) The minimum annual charge for use of Government lands under any license shall be \$25.

(e) No licensee under a license issued prior August 26, 1935, shall be required to pay annual charges in an amount greater than that prescribed in such license.

ALTERNATIVE B

As Alternative B, it is proposed to revise § 11.21 of Part 11, Chapter I of Title 18 of the Code of Federal Regulations to read as follows:

§ 11.21 Use of Government lands.

(a) Reasonable annual charges for recompensing the United States for the use, occupancy, and enjoyment of its lands (other than lands adjoining or pertaining to Government dams or other structures) or its other property, will be fixed by the Commission. In fixing such charges the Commission may take into consideration such factors as commercial value, the most profitable use for which the lands or other property may be suited, the beneficial purpose for which said lands or other property have been or may be used, and such other factors as the Commission may deem pertinent. Such charges shall be subject to reexamination by the Commission at least every five years and, upon reasonable notice and opportunity for hearing, may be adjusted thereafter.

(b) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands shall be set on the basis of the following:

(1) Such lands shall be valued at a per acre regional average of \$236 for Northeast (Maine, New Hampshire, Vermont, and Pennsylvania); \$159 for Lakes States (Michigan, Wisconsin, and Minnesota); \$139 for Midwest (Ohio, Indiana, Illinois, and Missouri); \$93 for Northern Plains (North Dakota, South

Dakota, Nebraska, and Kansas); \$192 for Appalachian (Virginia, West Virginia, North Carolina, Kentucky, and Tennessee); \$287 for Southeast (South Carolina, Georgia, Florida, and Alabama); \$134 for Delta States (Mississippi, Arkansas, and Louisiana); \$202 for Southern Plains (Oklahoma and Texas); \$131 for Mountain (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, and Nevada); \$253 for Pacific (Washington, Oregon, and California); \$20 for Alaska. An interest rate, as determined under paragraph (b) (2) of this section, shall be multiplied times the applicable value to determine the annual charge per acre.

(2) The interest rate to be utilized in determining the annual charge per acre shall be 6 percent.

(c) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands for transmission line right-of-way only shall be based on a per acre charge which is one-half of the charge determined under paragraph (b) of this section.

(d) The minimum annual charge for use of Government lands under any license shall be \$25.

(e) No licensee under a license issued prior to August 26, 1935, shall be required to pay annual charges in an amount greater than that prescribed in such license.

ALTERNATIVE C

As Alternative C, it is proposed to revise § 11.21 of Part 11, Chapter I of Title 18 of the Code of Federal Regulations to read as follows:

§ 11.21 Use of Government lands.

(a) Reasonable annual charges for recompensing the United States for the use, occupancy, and enjoyment of its lands (other than lands adjoining or pertaining to Government dams or other structures) or its other property, will be fixed by the Commission. In fixing such charges the Commission may take into consideration such factors as commercial value, the most profitable use for which the lands or other property may be suited, the beneficial purpose for which said lands or other property have been or may be used, and such other factors as the Commission may deem pertinent. Such charges shall be subject to reexamination by the Commission at least every five years and upon reasonable notice and opportunity for hearing, may be adjusted thereafter.

(b) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands shall be set on the basis of the following:

(1) Such lands shall be valued at a per acre state average of \$145 for Alabama; \$20 for Alaska; \$278 for Arizona; \$120 for Arkansas; \$372 for California; \$190 for Colorado; \$407 for Florida; \$200 for Georgia; \$94 for Idaho; \$200 for Illinois; \$180 for Indiana; \$92 for Kansas; \$80 for Kentucky; \$153 for Louisiana; \$125 for Maine; \$160 for Michigan; \$183

for Minnesota; \$145 for Mississippi; \$125 for Missouri; \$94 for Montana; \$81 for Nebraska; \$48 for Nevada; \$300 for New Hampshire; \$162 for New Mexico; \$250 for North Carolina; \$94 for North Dakota; \$125 for Ohio; \$116 for Oklahoma; \$157 for Oregon; \$200 for Pennsylvania; \$250 for South Carolina; \$94 for South Dakota; \$200 for Tennessee; \$250 for Texas; \$94 for Utah; \$150 for Vermont; \$200 for Virginia; \$145 for Washington; \$175 for West Virginia; \$150 for Wisconsin; \$60 for Wyoming. An interest rate, as determined under paragraph (b) (2) of this section, shall be multiplied times the applicable value to determine the annual charge per acre.

(2) The interest rate to be utilized in determining the annual charge per acre shall be 6 percent.

(c) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands for transmission line right-of-way only shall be based on a per acre charge which is one-half of the charge determined under paragraph (b) of this section.

(d) The minimum annual charge for use of Government lands under any license shall be \$25.

(e) No licensee under a license issued prior to August 26, 1935, shall be required to pay annual charges in an amount greater than that prescribed in such license.

ALTERNATIVE D

As Alternative D, it is proposed to revise § 11.21 of Part 11, Chapter I of Title 18 of the Code of Federal Regulations to read as follows:

§ 11.21 Use of Government lands.

(a) Reasonable annual charges for recompensing the United States for the use, occupancy, and enjoyment of its lands (other than lands adjoining or pertaining to Government dams or other structures) or its other property, will be fixed by the Commission. In fixing such charges the Commission may take into consideration such factors as commercial value, the most profitable use for which the lands or other property may be suited, the beneficial purpose for which said lands or other property have been or may be used, and such other factors as the Commission may deem pertinent. Such charges shall be subject to reexamination by the Commission at least every five years and, upon reasonable notice and opportunity for hearing, may be adjusted thereafter.

(b) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands shall be set on the basis of the following:

(1) Such lands involving projects constructed prior to January 1, 1975, and those projects initially licensed prior to January 1, 1975, notwithstanding subsequent relicensing, shall be valued at a national average of \$150 per acre subject to adjustment as conditions may warrant, and an interest rate, as determined under paragraph (b) (3) of this section,

shall be multiplied times that value to determine the annual charge per acre.

(2) Such lands involving unconstructed projects initially licensed subsequent to January 1, 1975, shall be assessed at their competitive market value, determined as if the project were not to be constructed, and an interest rate, as determined under paragraph (b) (3) of this section, shall be multiplied times the applicable value to determine the annual charge per acre.

(3) The interest rate to be utilized in determining the annual charge per acre shall be 6 percent.

(c) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands for transmission line right-of-way only shall be based on a per acre charge which is one-half of the charge determined under paragraph (b) of this section.

(d) The minimum annual charge for use of Government lands under any license shall be \$25.

(e) No licensee under a license issued prior to August 26, 1935, shall be required to pay annual charges in an amount greater than that prescribed in such license.

ALTERNATIVE E

As Alternative E, it is proposed to revise § 11.21 of Part 11, Chapter I of Title 18 of the Code of Federal Regulations to read as follows:

§ 11.21 Use of Government lands.

(a) Reasonable annual charges for recompensing the United States for the use, occupancy, and enjoyment of its lands (other than lands adjoining or pertaining to Government dams or other structures) or its other property, will be fixed by the Commission. In fixing such charges the Commission may take into consideration such factors as commercial value, the most profitable use for which the lands or other property may be suited, the beneficial purpose for which said lands or other property have been or may be used, and such other factors as the Commission may deem pertinent. Such charges shall be subject to reexamination by the Commission at least every five years and, upon reasonable notice and opportunity for hearing, may be adjusted thereafter.

(b) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands shall be set on the basis of the following:

(1) Such lands involving projects constructed prior to January 1, 1975, and those projects initially licensed prior to January 1, 1975, notwithstanding subsequent relicensing, shall be valued at a national average of \$150 per acre subject to adjustment as conditions may warrant, and an interest rate, as determined under paragraph (b) (3) of this section, shall be multiplied times that value to determine the annual charge per acre.

(2) Such lands involving unconstructed projects initially licensed subsequent to January 1, 1975, shall be assessed at their competitive market value,

taking into consideration the value of the land as a hydroelectric site, and an interest rate, as determined under paragraph (b) (3) of this section, shall be multiplied times the applicable value to determine the annual charge per acre.

(3) The interest rate to be utilized in determining the annual charge per acre shall be 6 percent.

(c) Pending further order of the Commission and subject to adjustment as conditions may warrant, annual charges for the use of Government lands for transmission line right-of-way only shall be based on a per acre charge which is one-half of the charge determined under paragraph (b) of this section.

(d) The minimum annual charge for use of Government lands under any license shall be \$25.

(e) No licensee under a license issued prior to August 26, 1935, shall be required to pay annual charges in an amount greater than that prescribed in such license.

Any interested person may submit to the Federal Power Commission, Washington, D.C. 20426, not later than December 4, 1974, data, views, comments or suggestions in writing concerning all or part of the amendment proposed herein. Written submittals will be placed in the Commission's public files and will be available for public inspection at the Commission's Office of Public Information, 825 North Capitol Street, Washington, D.C. during regular business hours. The Commission will consider all such written submittals before acting on the matters herein proposed. An original and 14 conformed copies should be filed with the Secretary of the Commission. Submittals to the Commission should indicate the name, title, and mailing address of the person to whom communications concerning the proposal should be addressed and whether the person filing them requests a conference with the Staff of the Federal Power Commission to discuss the proposed amendments. The Staff, in its discretion, may grant or deny requests for conferences.

The Secretary shall cause prompt publication of this notice to be made in the FEDERAL REGISTER.

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25703 Filed 11-4-74; 8:45 am]

SMALL BUSINESS ADMINISTRATION

[13 CFR Part 107]

SMALL BUSINESS INVESTMENT COMPANIES

Notice of Proposed Rule Making

Notice is hereby given that pursuant to authority contained in section 308 of the Small Business Investment Act of 1958 (Act), 15 U.S.C. 661 et seq., as amended, it is proposed to amend, as set forth below, § 107.3 and § 107.504(b) (3), Part 107 of Chapter I, Title 13 of the Code of Federal Regulations. Prior to

final adoption of such amendment, consideration will be given to any comments. Such comments should be submitted in writing, in triplicate, to the Investment Division, Small Business Administration (SBA), Washington, D.C. 20416, on or before November 4, 1974.

Information. The amended sections would facilitate the flow of equity capital to small business concerns in that licensees would be permitted to purchase securities from underwriters (i.e., non-issuers) beyond the current limited authorization provided under § 107.504(a) of the regulations. Purchases through or from underwriters would be permitted only when the offering is entirely on behalf of an eligible small business issuer.

Purchases would be restricted to securities with equity features and the amount of the public offering would be limited to \$5 million. This would be accomplished by expanding the definition of "Financing" under § 107.3 to include such purchases through an underwriter, and by deleting references to purchases from or through underwriters in § 107.504(b) (3).

It is hoped that this revision would help to stimulate and supplement the flow of equity capital to small concerns through the participation of licensees in the public issues market. It has long been doubtful that the Nation's small business concerns have adequate access to the public issues market. Under present conditions such concerns appear completely excluded from this market. The amended regulations should assist small concerns in obtaining access to the public market.

It is proposed that Part 107 be amended by revising § 107.3 and § 107.504(b) (3) to read as follows:

§ 107.3 Definition of terms.

Financing. "Financing" or "Financed" means outstanding financial assistance provided to a Small Concern by a Licensee, whether through (a) loans, (b) guaranties, (c) equity investments, (d) commitments, or (e) purchases through or from a non-Associate underwriter of Equity Securities (see § 107.302(b)) of a small business concern, within 90 days after a public offering is first lawfully made: *Provided, however,* That such purchases must be made at the original public offering price that the entire proceeds of the issue (less reasonable and customary underwriting and related charges) are received by the Small Concern, and that the aggregate offering price does not exceed \$5 million.

§ 107.504 Other permissible financing.

(b) * * *

(3) *Securities purchased from non-issuer.* Securities of a Small Concern purchased from a seller other than the issuer or his underwriter (see § 107.3, "Financing"), when such acquisition constitutes a reasonably necessary part of the overall sound financing of such concern pursuant to the Act or when the Securities are acquired to finance a change of ownership pursuant to § 107.812. See also § 107.301(e) regarding size

status and nondiscrimination certification.

Dated: October 29, 1974.

THOMAS S. KLEPPE,
Administrator.

[FR Doc.74-25771 Filed 11-4-74; 8:45 am]

VETERANS ADMINISTRATION

[38 CFR Part 21]

VETERANS EDUCATION

Independent Study Programs; Contracting Out of Training

These changes to §§ 21.201, 21.4233, 21.4270, and § 21.4280 are intended to clarify existing rules for approval of benefits for students in independent study programs and for approval of courses wherein all or part of the training is provided by another institution or entity under a contract.

In addition minor editorial changes have been made to §§ 21.201(i), 21.202(b), 21.4230(e), 21.4232(a), 21.4233(b), (c), 21.4234, 21.4271(c), and 21.4279(a) to reflect agency policy of using precise terms denoting gender.

Interested persons are invited to submit written comments, suggestions, or objections regarding the proposal to the Administrator of Veterans Affairs (27A1), Veterans Administration, 810 Vermont Avenue NW., Washington, DC 20420. All relevant material received before December 5, 1974 will be considered. All written comments received will be available for public inspection at the above address only between the hours of 8 a.m. and 4:30 p.m. Monday through Friday (except holidays) during the mentioned 30-day period and for 10 days thereafter. Any person visiting Central Office for the purpose of inspecting any such comments will be received by the Central Office Veterans Assistance Unit in room 132. Such visitors to any VA field station will be informed that the records are available for inspection only in Central Office and furnished the address and the above room number.

Notice is also given that it is proposed to make §§ 21.201(j) and (k), 21.4233 Introduction and (e), 21.4270 (c) and (d) and 21.4280 effective the date of final approval.

1. In § 21.201, paragraphs (i) (4) (ii) and (j) are revised and paragraph (k) is added so that the revised and added material reads as follows:

§ 21.201 Types of courses.

(i) *Institutional on-farm course.* * * *

(4) Where the course is designed to train the veteran to manage a farm as the employee of another, the plan for training developed by the Veterans Administration in collaboration with the instructor will satisfy the following requirements: * * *

¹ NOTE: In a previous revision to 38 CFR 21.201(i) subparagraphs (1)-(4) were inadvertently omitted. These subparagraphs are being reinstated in a correcting document which appears elsewhere in this issue.

(ii) The employer-trainer shall have agreed to employ the veteran as manager of the farm on which he or she is being trained if his or her conduct and progress remain satisfactory, or there shall be definite assurance that the veteran will be employed as manager of a specified comparable farm.

(j) *Independent study course leading to a degree.* A course pursued by independent study under the following conditions:

(1) The course is offered by a college or university which is fully accredited by one of the six regional accrediting agencies.

(2) The course leads to or is fully creditable toward a standard college degree which may include external degree programs given by accredited colleges and universities.

(3) The course consists of a prescribed program of study with provision for interaction either by mail, telephone, personally or by class attendance between student and the regularly employed faculty of the university or college.

(4) The college or university evaluates the course in semester or quarter hours, or the equivalent, and prescribes a period for completion.

(5) Subsistence allowance is payable at the institutional rates prescribed in § 21.133. Measurement of the course will be in accordance with provision of § 21.4270, footnote 7, except that seriously disabled veterans whose disability or circumstances preclude regular attendance at an institution of higher learning and for whom an independent study course is a sound method of restoring employability may be paid for such training even though the major portion of the course is not in a classroom or laboratory, if the Veterans Administration determines that the student is pursuing the course at a rate equivalent to one-half time or greater in accordance with school criteria for determining full- and part-time training. If independent study subjects and subjects requiring class attendance are pursued concurrently and both are measured on a credit hour basis, the allowable rate shall be determined on the basis of the combined training load.

(k) *Contract.* All or part of the program of education of a school may be furnished by another school or entity under a contract. The school or entity actually providing the training must be approved by the Veterans Administration. Measurement of the course and payment of an allowance will be appropriate for the course as offered by the school or entity actually providing the training.

2. In § 21.202, paragraph (b) (1), (2) and (3) (1) and (ii) is revised to read as follows:

§ 21.202 Full-time vocational rehabilitation training.

(b) Full-time training for a disabled veteran who is determined by appro-

prate medical authority to have less than a normal work tolerance will be that amount which his or her work tolerance will permit. A veteran with a reduced work tolerance will be provided training when:

(1) His or her vocational rehabilitation is medically feasible; and

(2) His or her program can be planned for completion within his or her statutory limits or there is a plan which offers reasonable assurance of the program being completed by some other agency or responsible individual; and

(3) The amount of time which can be devoted to training by a veteran with a permanent reduced work tolerance is as great as his or her disability will permit; or the veteran has a temporary reduced work tolerance and there is reasonable promise that during training his or her work tolerance will increase. In each case of temporary reduced work tolerance the following are for application:

(i) The veteran will not be entered into training until it is determined that he or she is able to devote to his or her training at least 4 hours a day, exclusive of any time required to travel to and from his or her place of training.

(ii) At the end of each 90-day period proper medical authority will determine the maximum amount of time the veteran can devote to his or her training and his or her individual training program will be developed accordingly.

3. In § 21.4230, paragraph (e) is revised to read as follows:

§ 21.4230 Requirements.

(e) *Selection; chapter 35; wife, husband, widow, widower.* A program of educational assistance under chapter 35 selected by an eligible wife, husband, widow or widower will be approved if it meets the requirements of paragraphs (a) or (b) of this section and the individual is not already qualified for the objective for which the program of education is offered.

4. In § 21.4232, paragraph (a) is revised to read as follows:

§ 21.4232 Specialized vocational training; 38 U.S.C. ch. 35.

(a) A program consisting of a specialized course of vocational training may be provided to an eligible person who is not in need of special restorative training and who requires such a program because of a mental or physical handicap. (38 U.S.C. 1736) The Vocational Rehabilitation Board will determine whether such a course is in the best interest of the eligible person. If the determination is in the affirmative the board will assist in developing the program and a suitable educational plan. If it is determined that such a program is not in the best interest of the eligible person the application for the program will be denied. Specialized vocational training may be authorized for an eligible child only if the child has passed his or her 14th birthday.

5. In § 21.4233, the introductory portion preceding paragraph (a), the introductory portion of paragraph (b) preceding subparagraph (1), and paragraph (c) (1) are revised and paragraph (e) is added so that the revised and added material reads as follows:

§ 21.4233 Combination.

An approved program may consist of a combination of courses with instruction offered by a school alternating with instruction in a business or industrial establishment (a cooperative course); courses offered by two schools concurrently; or courses offered through class attendance and by television concurrently. A farm cooperative program may be approved, for chapter 34 purposes only, which consists of a combination of institutional agricultural courses and concurrent agricultural employment (see § 21.4264). A school may contract the actual training to another school or entity, provided the course is approved by the State approving agency having approval jurisdiction of the school or entity which actually provides the training.

(b) *Concurrent enrollment.* Where a veteran or eligible person cannot successfully schedule his or her complete program at one school, a program of concurrent enrollment may be approved. When requesting such a program the veteran or eligible person must show that his or her complete program of education or training is not available at the school in which he or she will pursue the major portion of his or her program (the primary school), or that it cannot be scheduled successfully within the period in which he or she plans to complete his or her program.

(c) *Television.*—(1) *Open circuit telecast.* An undergraduate program may be pursued in part by open circuit telecast when:

(i) The veteran or eligible person is enrolled as a resident student in a program leading to a standard college degree.

(ii) The subjects taken by television are integral parts of his or her degree program.

(iii) A major portion of the credit hours for which the veteran or eligible person is enrolled during any semester or quarter is offered through conventional classroom and/or laboratory sessions. In no instance may a veteran or eligible person include in his or her program during any one semester or quarter more than 6 credit hours of open circuit telecast instruction for the purpose of computing the rate of educational assistance allowance. Under these circumstances, a veteran or eligible person may pursue 8 or more credit hours during any one term through regular classroom and/or laboratory instruction and 6 credit hours by open circuit telecast for a full-time resident training load.

(e) *Contract.* All or part of the program of education of a school may be furnished by another school or entity under contract. Such school or entity actually providing the training must obtain approval of the course from the State approving agency in the State having jurisdiction of that school or entity. Measurement of the course and payment of an allowance will be appropriate for the course as offered by the school or entity actually providing the training.

6. In § 21.4234, the introductory portion preceding paragraph (a) and paragraph (b) are revised to read as follows:

§ 21.4234 Change of program.

A request for a change of program may be made by a veteran or eligible person by any form of communication, however, if sufficient information is not furnished to process the request, the prescribed form for a change of program may be furnished him or her for completion. An eligible child needs the concurrence of his or her parent or guardian and appropriate counseling by the Veterans Administration before a change of program is approved. More than two changes of program may be approved if it is found that such additional changes are necessitated by circumstances beyond the control of the veteran or eligible person. (38 U.S.C. 1791)

(b) *Chapter 34.* The veteran may make one optional change of program if his or her previous course was not interrupted or discontinued due to his or her own misconduct, neglect or lack of application. The veteran may make a second change or an initial change after interruption or discontinuance due to his or her own misconduct, neglect or lack of application if it is found that:

(1) The program of education which the veteran proposes to pursue is suitable to his or her aptitudes, interests, and abilities, and

(2) In any instance where the veteran has interrupted, or failed to progress in, his or her program due to his or her own misconduct, neglect or lack of application, there exists a reasonable likelihood with respect to the program which the veteran proposes to pursue that there will not be a recurrence of such an interruption or failure to progress. (38 U.S.C. 1791)

§ 21.4270 [Amended]

7. In § 21.4270 *Measurement of courses*, a new footnote 7 is added to the table therein. It should read as follows:

⁷Independent study programs will be measured as less than ½ time unless a major portion of the credit hours are by classroom/laboratory attendance. (§ 21.4280.)

References to this footnote are added to paragraphs (c) and (d) following the last word in the entries under the column headed "Kind of course".

8. In § 21.4271, paragraph (c) is revised to read as follows:

§ 21.4271 Trade or technical; high schools.

(c) *High schools.* Courses offered at the secondary school level which lead to a high school diploma or the equivalent will be measured on the basis of clock hours of instruction per week, or on the number of units required per year. Enrollment in courses at a secondary school level leading to a high school diploma or the equivalent will not be approved for eligible children under chapter 35. Eligible wives, husbands, widows and widowers under chapter 35 may pursue such courses under the Special Assistance for the Educationally Disadvantaged program.

9. In § 21.4279, paragraph (a) (2) is revised to read as follows:

§ 21.4279 Combination correspondence-residence program.

(a) A program of education may be pursued partly in residence and partly by correspondence for the attainment of a predetermined and identified objective under the following conditions: * * *

(2) It is the practice of the institution to permit a student to pursue a part of his or her course by correspondence in partial fulfillment of the requirements for the attainment of the specified objective.

10. Section 21.4280 is revised to read as follows:

§ 21.4280 Independent study leading to a standard college degree.

(a) An eligible veteran or person may receive an educational assistance allowance for pursuit of an independent study course under the following conditions:

(1) The course is offered by a college or university which is fully accredited by one of the six regional accrediting agencies;

(2) The course leads to or is fully creditable toward a standard college degree which may include external degree programs given by accredited colleges and universities;

(3) The course consists of a prescribed program of study with provision for interaction either by mail, telephone, personally or by class attendance between student and the regularly employed faculty of the university or college; and

(4) The course is approved by the State approving agency.

(b) The independent study program shall be measured as follows:

(1) If the college or university evaluates the course in semester or quarter-hours of credit and prescribes a period for completion, the course shall be measured in credit hours under § 21.4270 (c) or (d) with equivalency computed under § 21.4272(d) as appropriate, provided a major portion of the credit-hours for which the veteran or eligible person is enrolled during any term is offered through conventional classroom and/or laboratory sessions; or

(2) If the college or university does not evaluate the independent study program in standard semester or quarter-hours or the equivalent, or if one half or a greater portion of the credit-hours are independent study, the independent study program shall be measured as less than ½-time training.

(c) An eligible veteran or person who is pursuing an independent study program shall be paid an educational assistance allowance at the institutional rate prescribed in § 21.4136(a). If independent study subjects and subjects requiring class attendance are pursued concurrently and both are measured on a credit hour basis, the allowable rate shall be determined on the basis of the combined training load provided a major portion of the hours are by class attendance. When attendance on credit hour basis and independent study under paragraph (b) (2) of this section, the appropriate rate for each part shall be determined and the combined rates paid, but not to exceed the full time institutional allowance rate.

Approved: October 31, 1974.

[SEAL]

R. L. ROUDEBUSH,
Administrator.

[FR Doc. 74-25838 Filed 11-4-74; 8:45 am]

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a particular case, the appropriateness of normal disposition ratios for mitigated penalties. In number and degree, they may be only sufficient to justify mitigation to normal disposition, or they may be sufficient (aggravating versus mitigating) to justify an increase or decrease from the normal disposition. The judicious application of these factors and others, where appropriate, provides the flexibility to dispense equity to the individual offender while preserving that degree of standardization which insures impartiality to all offenders.

a. Mitigating factors.

- (1) Loss of revenue is comparatively small in relation to the forfeiture value.
- (2) Contributory Customs error.
- (3) Cooperation in investigation by the offender.

(a) Disclosures after investigation started.
(b) Assistance in auditing and making available all relevant books, records and documents.

(c) Immediate rectification of loss of revenue.

(4) Remedial action immediately taken by offender.

(a) Removal of offending employee(s).
(b) Rectification of organizational or procedural defects in company.

(5) Inexperience in importing.
(6) Prior good record.

(7) Probable difficulty in collecting because offender is outside the jurisdiction of the United States.

(8) Inability to pay.

(In reaching a decision as to the amount of penalty mitigation, a determination should first be made without regard to factors (7) and (8), and shown in the record. A determination should then be made with respect to difficulty in collecting or inability to pay and the further mitigation therefore authorized, after full and accurate disclosure of all material financial facts.)

b. Aggravating factors.

- (1) Impeding the investigation.
- (a) Offer of bribes.
- (b) Destroying or withholding evidence.
- (2) Previous record of violations.
- (3) Experience in importing.

c. Non-Renue violations (quotas, misdescription of duty-free merchandise, etc.).

Where a violation results in no loss of revenue, an effort should be made to determine the estimated profit enjoyed as a result of the violation and apply to it the multipliers prescribed for normal disposition in loss of revenue cases. In calculating estimated profit, allowance should be given only for direct cost and expenses—i.e. shipping costs, duty and distribution expenses associated with the items involved. If reliable data is not available, these guidelines shall not apply.

d. Combined violations.

Where there is both a loss of revenue and a non-revenue violation, the higher base (loss of revenue or profit) should be used. If profit is the base, add any actual loss of revenue.

e. Violation of laws administered by other agencies.

Violations of laws administered by other agencies (such as Foreign Assets Control, Gold and Silver Operations, Agriculture, Fish and Wildlife) should be referred to the appropriate agency for its recommendations.

f. Liability of customhouse brokers.

A broker should be held liable and subject to these guidelines only if he (1) committed an intentional violation or (2) is otherwise culpable and shared in the financial benefits from the violation. If both importer and broker are actually culpable and shared in the financial benefits, each may be assessed

the full mitigated penalty as calculated under these guidelines. If the broker committed a negligent violation without sharing in the financial benefits, the penalty should be mitigated to a flat sum appropriate to the degree of negligence.

A broker should not be held as a guarantor to make the Government whole (by payment of actual loss of revenue) where he himself is not guilty of a violation. Filing an entry as importer of record (in his own name on behalf of an importer) should not alone make the broker liable for actual loss of revenue or any penalty. If he is the importer of record, the broker is, of course, responsible for payment of any increased duties found to be due.

4. Restrictions on distribution.

This document includes information which is exempt from disclosure to the public under 5 U.S.C. 552(b), and is, for that reason, classified "Official Use Only". If the multipliers contained in subparagraphs a., b., and c. of paragraph 3.B.2. are deleted, this document is unclassified.

[FR Doc.74-25823 Filed 11-4-74;8:45 am]

EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Establishment, Delegation of Authority and Appointment of Members to the Joint Board for the Enrollment of Actuaries

CROSS REFERENCE: For a document relating to the Employee Retirement Income Security Act of 1974, filed jointly by the Department of Labor and the Department of the Treasury, see FR Doc. 74-25814, *infra*.

[Dept. Circular; Public Debt Series—No. 13-74]

TREASURY NOTES OF SERIES E-1977

Dated and Bearing Interest from November 15, 1974

I. INVITATION FOR TENDERS

OCTOBER 31, 1974.

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders on a yield basis for \$2,500,000,000, or thereabouts, of notes of the United States, designated Treasury Notes of Series E-1977. The interest rate for the notes will be determined as set forth in section III, paragraph 3, hereof. An additional amount of the notes may be allotted by the Secretary of the Treasury to Government accounts and Federal Reserve Banks at the average price of accepted tenders in exchange for securities maturing November 15, 1974. Tenders will be received up to 1:30 p.m., Eastern Standard time, Wednesday, November 6, 1974, under competitive and noncompetitive bidding, as set forth in section III hereof. The 5¼ percent Treasury Notes of Series A-1974 and 3½ percent Treasury Bonds of 1974, maturing November 15, 1974, will be accepted at par in payment, in whole or in part, to the extent tenders are allotted by the Treasury.

II. DESCRIPTION OF NOTES

1. The notes will be dated November 15, 1974, and will bear interest from that date, payable semiannually on May 15 and November 15 in each year until the principal amount becomes payable. They will mature November 15, 1977, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of \$5,000, \$10,000, \$100,000 and \$1,000,000. Book-entry notes will be available to eligible bidders in multiples of those amounts. Interchanges of notes of different denominations and of coupon and registered notes, and the transfer of registered notes will be permitted.

5. The notes will be subject to the general regulations of the Department of the Treasury, now or hereafter prescribed, governing United States notes.

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D.C. 20226, up to the closing hour, 1:30 p.m., Eastern Standard time, Wednesday, November 6, 1974. Each tender must state the face amount of notes bid for, which must be \$5,000 or a multiple thereof, and the yield desired, except that in the case of noncompetitive tenders the term "noncompetitive" should be used in lieu of a yield. In the case of competitive tenders, the yield must be expressed in terms of an annual yield, with two decimals, e.g., 7.91. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed \$500,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from banking institutions for their own account, Federally-insured savings and loan associations, States, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in

which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and Government accounts. Tenders from others must be accompanied by payment (in cash, or the securities referred to in section I which will be accepted at par) of 5 percent of the face amount of notes applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by the Department of the Treasury of the amount and yield range of accepted bids. Those submitting competitive tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of tenders, those with the lowest yields will be accepted to the extent required to attain the amount offered. Tenders at the highest accepted yield will be prorated if necessary. After the determination is made as to which tenders are accepted, an interest rate will be established at the nearest $\frac{1}{8}$ of one percent necessary to make the average accepted price 100.00 or less. That will be the rate of interest that will be paid on all of the notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will be required to pay the price corresponding to the yield bid. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, including the right to accept more or less than \$2,500,000,000 of tenders, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$500,000 or less without stated yield from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive tenders.

4. All bidders are required to agree not to purchase or sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue at a specific rate or price, until after 1:30 p.m., Eastern Standard time, Wednesday, November 6, 1974.

5. Commercial banks in submitting tenders will be required to certify that they have no beneficial interest in any of the tenders they enter for the account of their customers, and that their customers have no beneficial interest in the banks' tenders for their own account.

IV. PAYMENT FOR AND DELIVERY OF NOTES

1. Settlement for accepted tenders in accordance with the bids must be made or completed on or before November 15, 1974, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D.C. 20226. Payment must be in cash, securities referred to in Section I (Interest coupons dated Novem-

ber 15, 1974, should be detached), in other funds immediately available to the Treasury by November 15, or by check drawn to the order of the Federal Reserve Bank to which the tender is submitted, or the United States Treasury if the tender is submitted to it, which must be received at such Bank or at the Treasury no later than: (1) Tuesday, November 12, 1974, if the check is drawn on a bank in the Federal Reserve District of the Bank to which the check is submitted, or the Fifth Federal Reserve District in the case of the Treasury, or (2) Friday, November 8, 1974, if the check is drawn on a bank in another district. Checks received after the dates set forth in the preceding sentence will not be accepted unless they are payable at a Federal Reserve Bank. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. In every case where full payment is not completed, the payment with the tender up to 5 percent of the amount of notes allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. When payment is made with maturing securities, a cash adjustment will be made to or required of the bidder for any difference between the face amount of securities submitted and the amount payable on the notes allotted.

2. Delivery of notes in bearer form will be made on or about November 25, 1974. Purchasers of bearer notes may elect to receive interim certificates on November 15, 1974, which will be exchangeable for the notes when available at any Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D.C. 20226. The interim certificates must be returned at the risk and expense of the holder.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Registered securities tendered as deposits and in payment for notes allotted hereunder are not required to be assigned if the notes are to be registered in the same names and forms as appear in the registrations or assignments of the securities surrendered. Specific instructions for the issuance and delivery of the notes, signed by the owner or his authorized representative, must accompany the securities presented. Otherwise, the securities should be assigned by the registered payees or assignees thereof in accordance with the general regulations governing United States securities, as hereinafter set forth. Notes to be registered in names and forms different from those in the inscriptions or assignments of the securities presented should be assigned to "The Secretary of the Treasury for Treasury Notes of Series E-1977 in the name of (name and taxpayer identifying number)." If notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for coupon Treasury Notes of Series E-1977 to be

delivered to _____." Securities tendered in payment should be surrendered to the Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Washington, D.C. 20226. The securities must be delivered at the expense and risk of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of notes on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

Due November 15, 1977.

WILLIAM E. SIMON,
Secretary of the Treasury.

[FR Doc.74-26017 Filed 11-4-74; 10:44 am]

[Dept. Circular; Public Debt Series—
No. 14-74]

TREASURY NOTES OF SERIES B-1981

Dated and Bearing Interest from
November 15, 1974

I. INVITATION FOR TENDERS

OCTOBER 31, 1974.

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders on a yield basis for \$1,750,000,000, or thereabouts, of notes of the United States, designated Treasury Notes of Series B-1981. The interest rate for the notes will be determined as set forth in section III, paragraph 3, thereof. An additional amount of the notes may be allotted by the Secretary of the Treasury to Government accounts and Federal Reserve Banks at the average price of accepted tenders in exchange for Treasury securities maturing November 15, 1974. Tenders will be received up to 1:30 p.m., Eastern Standard time, Thursday, November 7, 1974, under competitive and noncompetitive bidding, as set forth in section III hereof. The 5 $\frac{3}{4}$ percent Treasury Notes of Series A-1974 and 3 $\frac{3}{8}$ percent Treasury Bonds of 1974 maturing November 15, 1974, will be accepted at par in payment, in whole or in part, to the extent tenders are allotted by the Treasury.

II. DESCRIPTION OF NOTES

1. The notes will be dated November 15, 1974, and will bear interest from that date, payable semiannually on May 15 and November 15 in each year until the principal amount becomes payable. They will mature November 15,

1981, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes is subject to all taxes imposed under the Internal Revenue Code of 1954. The notes are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes with interest coupons attached, and notes registered as to principal and interest, will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. Book-entry notes will be available to eligible bidders in multiples of those amounts. Interchanges of notes of different denominations and of coupon and registered notes, and the transfer of registered notes will be permitted.

5. The notes will be subject to the general regulations of the Department of the Treasury, now or hereafter prescribed, governing United States notes.

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D.C. 20226, up to the closing hour, 1:30 p.m., Eastern Standard time, Thursday, November 7, 1974. Each tender must state the face amount of notes bid for, which must be \$1,000 or a multiple thereof, and the yield desired, except that in the case of noncompetitive tenders the term "noncompetitive" should be used in lieu of a yield. In the case of competitive tenders, the yield must be expressed in terms of an annual yield, with two decimals, e.g., 7.91. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed \$500,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from banking institutions for their own account. Federally-insured savings and loan associations, States, political subdivisions, or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and

Government accounts. Tenders from others must be accompanied by payment (in cash or the securities referred to in Section I which will be accepted at par) of 5 percent of the face amount of notes applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by the Department of the Treasury of the amount and yield range of accepted bids. Those submitting competitive tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of tenders, those with the lowest yields will be accepted to the extent required to attain the amount offered. Tenders at the highest accepted yield will be prorated if necessary. After the determination is made as to which tenders are accepted, an interest rate will be established at the nearest $\frac{1}{8}$ of one percent necessary to make the average accepted price 100.00 or less. That will be the rate of interest that will be paid on all of the notes. Based on such interest rate, the price on each competitive tender allotted will be determined and each successful competitive bidder will be required to pay the price corresponding to the yield bid. Price calculations will be carried to three decimal places on the basis of price per hundred, e.g., 99.923, and the determinations of the Secretary of the Treasury shall be final. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, including the right to accept more or less than \$1,750,000,000 of tenders, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$500,000 or less without stated yield from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive tenders.

4. All bidders are required to agree not to purchase or sell, or to make any agreements with respect to the purchase or sale or other disposition of any notes of this issue at a specific rate or price, until after 1:30 p.m., Eastern Standard time, Thursday, November 7, 1974.

5. Commercial banks in submitting tenders will be required to certify that they have no beneficial interest in any of the tenders they enter for the account of their customers, and that their customers have no beneficial interest in the banks' tenders for their own account.

IV. PAYMENT FOR AND DELIVERY OF NOTES

1. Settlement for accepted tenders in accordance with the bids must be made or completed on or before Friday, November 15, 1974, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt. Payment must be in cash, securities referred to in Section I (interest coupons dated November 15, 1974, should be detached), in other funds immediately available to the Treasury by November 15, or by check drawn to the order of the Federal Reserve Bank to which the tender is submitted, or the United States Treasury if the tender is submitted to it, which must be received at such bank or

at the Treasury no later than: (1) Tuesday, November 12, 1974, if the check is drawn on a bank in the Federal Reserve District of the Bank to which the check is submitted, or the Fifth Federal Reserve District in case of the Treasury, or (2) Friday, November 8, 1974, if the check is drawn on a bank in another district. Checks received after the dates set forth in the preceding sentence will not be accepted unless they are payable at a Federal Reserve Bank. Where full payment is not completed on time, the allotment will be canceled and the deposit with the tender up to 5 percent of the amount of notes allotted will be subject to forfeiture to the United States. Payment will not be deemed to have been completed where registered notes are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. When payment is made with securities, a cash adjustment will be made to or required of the bidder for any difference between the face amount of securities submitted and the amount payable on the notes allotted.

2. Delivery of notes in bearer form will be made on or about November 25, 1974. Purchasers of bearer notes may elect to receive interim certificates on November 15, 1974, which will be exchangeable for the notes when available at any Federal Reserve Bank or Branch or at the Bureau of the Public Debt, Washington, D.C. 20226. The interim certificates must be returned at the expense and risk of the holder.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Registered securities tendered as deposits and in payment for notes allotted hereunder are not required to be assigned if the notes are to be registered in the same names and forms as appear in the registrations or assignments of the securities surrendered. Specific instructions for the issuance and delivery of the notes, signed by the owner or his authorized representative, must accompany the securities presented. Otherwise, the securities should be assigned by the registered payees or assignees thereof in accordance with the general regulations governing United States securities, as hereinafter set forth. Notes to be registered in names and forms different from those in the inscriptions or assignments of the securities presented should be assigned to "The Secretary of the Treasury for Treasury Notes of Series B-1981 in the name of (name and taxpayer identifying number)." If notes in coupon form are desired, the assignment should be to "The Secretary of the Treasury for coupon Treasury Notes of Series B-1981 to be delivered to _____." Securities tendered in payment should be surrendered to the Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Washington, D.C. 20226. The securities must be delivered at the expense and risk of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of notes on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

Due November 15, 1981.

WILLIAM E. SIMON,
Secretary of the Treasury.

[FR Doc. 74-26018 Filed 11-4-74; 10:44 am]

[Department Circular, Public Debt Series—
No. 15-74]

8½ PERCENT TREASURY BONDS OF 1994-99

Dated May 15, 1974, with interest from November 15, 1974; Redeemable at the Option of the United States at Par and Accrued Interest on and After May 15, 1994

OCTOBER 31, 1974.

I. INVITATION FOR TENDERS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites tenders at a price not less than 94.01 percent of their face value for \$600,000,000, or thereabouts, of bonds of the United States, designated 8½ percent Treasury Bonds of 1994-99. An additional amount of the bonds may be allotted by the Secretary of the Treasury to Government accounts and Federal Reserve Banks at the average price of accepted tenders in exchange for Treasury securities maturing November 15, 1974. Tenders will be received up to 2:30 p.m., Eastern Standard Time, Friday, November 8, 1974, under competitive and noncompetitive bidding, as set forth in section III hereof. The 5½ percent Treasury Notes of Series A-1974 and 3½ percent Treasury Bonds of 1974 maturing November 15, 1974, will be accepted at par in payment, in whole or in part, to the extent tenders are allotted by the Treasury.

2. Deferred payment for fifty percent of the amount of bonds allotted may be made as provided in section IV hereof. Delivery of bearer bonds will be made on November 15, 1974, except that delivery of the bonds on which a portion of the payment is deferred will be made on December 3, 1974.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be identical in all respects with the 8½ percent Treasury Bonds of 1994-99 issued pursuant to Department Circular, Public Debt Series—No. 7-74, dated May 2, 1974, except that interest will accrue from November 15, 1974. With this exception the bonds are described in the following

quotation from Department Circular No. 7-74:

"1. The bonds will be dated May 15, 1974, and will bear interest from that date at the rate of 8½ percent per annum, payable semiannually on November 15, 1974, and thereafter on May 15 and November 15 in each year until the principal amount becomes payable. They will mature May 15, 1999, but may be redeemed at the option of the United States on and after May 15, 1994, in whole or in part, at par and accrued interest on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption, the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

"2. The income derived from the bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

"3. The bonds will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

"4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provisions will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury.

"5. The bonds will be subject to the general regulations of the Department of the Treasury, now or hereafter prescribed, governing United States bonds."

III. TENDERS AND ALLOTMENTS

1. Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D.C. 20226, up to the closing hour, 2:30 p.m., Eastern Standard time, Friday, November 8, 1974. Each tender must state the face amount of bonds bid for, which must be \$1,000 or a multiple thereof, and the price offered, except that in the case of noncompetitive tenders the term "non-competitive" should be used in lieu of a price. In the case of competitive tenders, the price must be expressed on the basis of 100, with two decimals, e.g., 100.00. Tenders at a price less than 94.01 will not be accepted. Fractions may not be used. Noncompetitive tenders from any one bidder may not exceed \$500,000.

2. Commercial banks, which for this purpose are defined as banks accepting demand deposits, and dealers who make primary markets in Government securi-

ties and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Orders will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from banking institutions for their own account, Federally-insured savings and loan associations, State, political subdivisions or instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and Government accounts. Tenders from others must be accompanied by payment (in cash or the securities referred to in Section I which will be accepted at par) of 5 percent of the face amount of bonds applied for.

3. Immediately after the closing hour tenders will be opened, following which public announcement will be made by the Department of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. In considering the acceptance of tenders, those at the highest prices will be accepted to the extent required to attain the amount offered. Tenders at the lowest accepted price will be prorated if necessary. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, including the right to accept less than \$600,000,000 of tenders, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$500,000 or less without stated price from any one bidder will be accepted in full at the average price¹ (in two decimals) of accepted competitive tenders.

4. All bidders are required to agree not to purchase or sell, or to make any agreements with respect to the purchase or sale or other disposition of any bonds of this issue at a specific rate or price, until after 2:30 p.m., Eastern Standard time, Friday, November 8, 1974.

5. Commercial banks in submitting tenders will be required to certify that they have no beneficial interest in any of the tenders they enter for the account of their customers, and that their customers have no beneficial interest in the banks' tenders for their own account.

IV. PAYMENT

1. Settlement for accepted tenders in accordance with the bids must be made or completed on or before November 15, 1974, at the Federal Reserve Bank or Branch or at the Bureau of the Public Debt, except that a bidder may elect to defer payment for not more than 50

¹ Average price may be at, or more or less than \$100.00.

percent of the amount of bonds allotted until December 3, 1974. Payment must be in cash, securities referred to in Section I (interest coupons dated November 15, 1974, should be detached), in other funds immediately available to the Treasury by the payment date, or by check drawn to the order of the Federal Reserve Bank to which the tender is submitted, or the United States Treasury if the tender is submitted to it, which must be received at such bank or at the Treasury no later than: (1) Tuesday, November 12, 1974, if the check is drawn on a bank in the Federal Reserve District of the Bank to which the check is submitted, or the Fifth Federal Reserve District in case of the Treasury, or (2) Friday, November 8, 1974, if the check is drawn on a bank in another district. Checks received after the dates set forth in the preceding sentence will not be accepted unless they are payable at a Federal Reserve Bank. Accrued interest from November 15 to December 3, 1974, will be charged on the face amount of bonds on which payment is deferred, at the rate \$4.22652 per \$1,000. Where partial payment for bonds allotted is to be deferred, delivery of 5 percent of the total par amount of bonds allotted, adjusted to the next higher \$1,000, will be withheld from all bidders required to submit a 5 percent payment with tenders, until payment for the total amount allotted has been completed. Payment will not be deemed to have been completed where registered bonds are requested if the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security number or an employer identification number) is not furnished. Where full payment is not completed by the dates shown above, the payment with the tender up to 5 percent of the amount of bonds allotted shall, upon declaration made by the Secretary of the Treasury in his discretion, be forfeited to the United States. When payment is made with maturing securities, a cash adjustment will be made to or required of the bidder for any difference between the face amount of securities submitted and the amount payable on the bonds allotted.

V. ASSIGNMENT OF REGISTERED SECURITIES

1. Registered securities tendered as deposits and in payment for bonds allotted hereunder are not required to be assigned if the bonds are to be registered in the same names and forms as appear in the registrations or assignments of the securities surrendered. Specific instructions for the issuance and delivery of the bonds, signed by the owner or his authorized representative, must accompany the securities presented. Otherwise, the securities should be assigned by the registered payees or assignees thereof in accordance with the general regulations governing United States securities, as hereinafter set forth. Bonds to be registered in names and forms different from those in the inscriptions or

assignments of the securities presented should be assigned to "The Secretary of the Treasury for 8½ percent Treasury Bonds of 1994-99 in the name of (name and taxpayer identifying number)." If bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for 8½ percent coupon Treasury Bonds of 1994-99 to be delivered to _____." Securities tendered in payment should be surrendered to the Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Washington, D.C. 20226. The securities must be delivered at the expense and risk of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive tenders, to make such allotments as may be prescribed by the Secretary of the Treasury, to issue such notices as may be necessary, to receive payment for and make delivery of bonds on full-paid tenders allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

Due May 18, 1999.

WILLIAM E. SIMON,
Secretary of the Treasury.

[FR Doc. 74-26019 Filed 11-4-74; 10:44 am]

DEPARTMENT OF DEFENSE

Office of the Secretary

BOARD OF VISITORS, DEFENSE INTELLIGENCE SCHOOL

Notice of Meeting

The Defense Intelligence Agency Advisory Committee, Board of Visitors, Defense Intelligence School, will hold closed meetings to discuss classified matters on November 21-22, 1974. The meetings will convene at 9 a.m. each day at the Defense Intelligence School, Naval District of Washington, Anacostia, Washington, DC.

At these meetings the Board of Visitors will review on-going and projected programs of the Defense Intelligence School. Under the provisions of section 10(b) of Public Law 92-463 the Director, Defense Intelligence Agency, has determined that these meetings will be closed to the public because the matters to be considered pertain to US intelligence information and activities that are classified and sensitive, and are specifically required to be kept secret in the interest of National defense (Title 5 USC 552(b)(1)).

MAURICE W. ROCHE,
Director, Correspondence and
Directives OASD (Comptroller).

OCTOBER 31, 1974.

[FR Doc. 74-25778 Filed 11-4-74; 8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[NM 23436, 23439, 23440]

NEW MEXICO

Notice of Applications

OCTOBER 23, 1974.

Notice is hereby given that, pursuant to section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), as amended by the Act of November 16, 1973 (87 Stat. 576), El Paso Natural Gas Company has applied for two 4½-inch and one 2½-inch natural gas pipelines rights-of-way across the following lands:

NEW MEXICO PRINCIPAL MERIDIAN,
NEW MEXICO

T. 26 N., R. 6 W.,
Sec. 28, SW¼SW¼; SE¼SE¼;
Sec. 33, S½SE¼.

These pipelines will convey natural gas across 0.243 miles of national resource lands in Rio Arriba County, New Mexico.

The purpose of this notice is to inform the public that the Bureau will be proceeding with consideration of whether the applications should be approved, and if so, under what terms and conditions.

Interested persons desiring to express their views should promptly send their name and address to the District Manager, Bureau of Land Management, 3550 Pan American Freeway, Albuquerque, NM 87107.

FRED E. PADILLA,
Chief, Branch of Lands
and Minerals Operations.

[FR Doc. 74-25767 Filed 11-4-74; 8:45 am]

SEWARD MERIDIAN, ALASKA

Filing of Plat of Survey

1. Plat of survey of the lands described below will be officially filed in the Anchorage Land Office, Anchorage, Alaska, effective at 10 a.m. December 2, 1974.

SEWARD MERIDIAN, ALASKA

T. 20 N., R. 12 E.
Sec. 5: Lots 1, 2, 3, 4, 5 and 6, E½E½,
NW¼NE¼, N½NW¼, SW¼NW¼, SW¼-
SE¼;
Sec. 6: Lots 1, 2, 3, 4 and 5, NE¼, E½W½,
N½SE¼, SW¼SE¼;
Sec. 7: Lots 1 to 16 inclusive, NE¼NW¼,
SE¼SW¼;
Tract A.
Containing 22,627.59 acres.

2. The northern half of this township consists of lowland, being dominated by lakes and swampy terrain. The drainage pattern is to the West, into the East Fork of the Matanuska River. Elevations vary from 2,500 to 6,500 feet, with the southern half of the township being largely mountainous.

The soil cover in the lowland is immature, due to glacial moraine and poorly drained depressions. Glaciation is also apparent and much of the subsoil materials consist of glacial silt. The high country is normally quite steep, with the

stream banks being a near 45 degree slope and virtually bare of vegetative growth.

Permafrost is present in almost all areas at these elevations and latitude, except on some southern slopes. On some gentle north slopes 10 to 12 inches of live moss cover glacier ice.

The lower elevations contain a lush growth of a variety of grasses, sedges, brush, and some commercial white spruce. Most of the timber is black spruce, with a lesser amount of aspen, cottonwood, alder and willow.

The Glenn Highway barely cuts through the northwest corner of this township.

3. The public lands affected by this order are open to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, including Public Land Order 5418, filed March 28, 1974, and the requirements of applicable law, rules, and regulations.

4. Inquiries concerning the lands should be addressed to the Manager, Anchorage Land Office, 555 Cordova Street, Anchorage, Alaska 99501.

Dated: October 18, 1974.

CLARK R. NOBLE,
Land Office Manager.

[FR Doc.74-25725 Filed 11-4-74; 8:45 am]

SEWARD MERIDIAN, ALASKA

Filing of Plat of Survey

1. Plat of survey of the lands described below will be officially filed in the Anchorage Land Office, Anchorage, Alaska, effective at 10 a.m., December 2, 1974.

SEWARD MERIDIAN, ALASKA

T. 21 N., R. 11 E.,

Sec. 13: all;
Sec. 19: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 20: all;
Sec. 21: all;
Sec. 22: lots 1, and 3, N $\frac{1}{2}$, SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 23: all; lots 1 and 2, N $\frac{1}{2}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;
Sec. 24: all;
Sec. 25: all;
Sec. 26: all;
Sec. 27: lots 1 and 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 28: all;
Sec. 29: all;
Sec. 30: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 31: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 32: all;
Sec. 33: all;
Sec. 34: all;
Sec. 35: all;
Sec. 36: all;
Tract A.
Containing 22,979.04 acres.

2. This township consists of a pattern of high east and west ridges, with prominent north and south side streams, many of which are highly erosive and commonly have barren banks. The elevation varies from 2,700 feet to 5,400 feet. Only the southeast corner is accessible by a highway.

The soil cover is immature, sterile, and normally contains sharp-edged gravel, except in the lower drainages where it

is deep, sour, and black. Snow remains in the north side of the high areas from the latter part of September into August of the next year. The lower slopes are usually covered with moss and permafrost. Squaw Creek and side streams contain a lush growth of grasses, sedges and brush, extending roughly 1,000 feet in elevation above the creek itself. Very little timber is noted here; however, some sawlog-size white spruce and pole-size black spruce are present.

Tracked vehicle trails traverse much of the lowland, primarily caused by big game hunters.

3. The public lands affected by this order are open to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, including Public Land Order 5418, filed March 28, 1974, and the requirements of applicable law, rules and regulations.

4. Inquiries concerning the lands should be addressed to the Manager, Anchorage Land Office, 555 Cordova Street, Anchorage, Alaska 99501.

Dated: October 18, 1974.

CLARK R. NOBLE,
Land Office Manager.

[FR Doc.74-25726 Filed 11-4-74; 8:45 am]

SEWARD MERIDIAN, ALASKA

Filing of Plat of Survey

1. Plat of survey of the lands described below will be officially filed in the Anchorage Land Office, Anchorage, Alaska, effective at 10 a.m., December 2, 1974.

SEWARD MERIDIAN, ALASKA

T. 21 N., R. 12 E.

Sec. 1: lots 1, 2, 3, 4 and 5, NE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ S $\frac{1}{2}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 2: lots 1, 2, 3, 4, 5 and 6, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$;
Sec. 3: lot 1, N $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;
Sec. 4: lots 1, 2 and 3, N $\frac{1}{2}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 5: all;
Sec. 6: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 7: lots 1 to 13 inclusive, S $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 8: lots 1, 2, 3, 4, 5 and 6, N $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 9: lots 1 to 8 inclusive, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$;
Sec. 10: lot 1, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, S $\frac{1}{2}$;
Sec. 11: all;
Sec. 12: all;
Sec. 13: all;
Sec. 14: all;
Sec. 15: all;
Sec. 16: all;
Sec. 17: lots 1, 2, 3, 4 and 5, N $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 18: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 19: lots 1 to 9 inclusive, W $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 20: lots 1, 2, 3, 4, 5 and 6, NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;
Sec. 21: all;
Sec. 22: all;
Sec. 23: all;
Sec. 24: all;
Sec. 25: lots 1, 2, 3, 4 and 5, NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$;
Sec. 26: lots 1, 2, 3, 4 and 5, NW $\frac{1}{4}$ NE $\frac{1}{4}$, W $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{4}$;

Sec. 27: lots 1 and 2, N $\frac{1}{2}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Sec. 28: all;
Sec. 29: lots 1 and 2, N $\frac{1}{2}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;
Sec. 30: lots 1 to 13 inclusive, N $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ S $\frac{1}{2}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$;
Sec. 31: lots 1, 2, 3, 4, 5 and 6, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$;
Sec. 32: lots 1, 2, 3, 4, 5 and 6, E $\frac{1}{2}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$;
Sec. 33: lots 1, 2, 3, 4, 5 and 6, N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 34: lots 1 to 8 inclusive, E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 35: lots 1, 2, 3 and 4, N $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$;
Sec. 36: all.
Containing 21,806.35 acres.

2. This township consists of rolling hills and low lying flat land areas, with the exception of the northwest corner which is mountainous. The elevation varies from 2800 to 4000 feet above sea level.

The soil is sandy loam. Drainage is to the northeast via Eureka and Old Man Creeks, which flow into the Nelchina River, except for the southeast portion which drains southwest into the East Fork of the Matanuska River. The low area contains many small lakes.

The timber is principally black and white spruce. Other vegetation consists of alder, willow, buckbrush, huckleberry, mossberry, grasses and sedges.

The Glenn Highway runs through this township in a general northeast and southwest direction, extending from the east boundary of section 1 to the west boundary of section 30.

3. The public lands affected by this order are open to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, including Public Land Order 5418, filed March 28, 1974, and the requirements of applicable law, rules and regulations.

4. Inquiries concerning the lands should be addressed to the Manager, Anchorage Land Office, 555 Cordova Street, Anchorage, Alaska 99501.

Dated: October 18, 1974.

CLARK R. NOBLE,
Land Office Manager.

[FR Doc.74-25727 Filed 11-4-74; 8:45 am]

SEWARD MERIDIAN, ALASKA

Filing of Plat of Survey

1. Plat of survey of the lands described below will be officially filed in the Anchorage Land Office, Anchorage, Alaska, effective at 10 a.m., December 2, 1974.

SEWARD MERIDIAN, ALASKA

T. 20 N., R. 11 E.;

Sec. 1: all;
Sec. 2: all;
Sec. 3: all;
Sec. 4: all;
Sec. 5: all;
Sec. 6: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 7: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
Sec. 8: all;
Sec. 9: all;
Sec. 10: all;
Sec. 11: all;
Sec. 12: all;
Sec. 13: all;
Sec. 14: all;

Sec. 15: all;
 Sec. 16: all;
 Sec. 17: all;
 Sec. 18: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
 Sec. 20: lots 1, 2, 3, 4, 5, 6, 7 and 8, W $\frac{1}{2}$ W $\frac{1}{2}$,
 SE $\frac{1}{4}$ SW $\frac{1}{4}$;
 Sec. 21: lot 1, N $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$,
 SE $\frac{1}{4}$;
 Sec. 22: all;
 Sec. 23: all;
 Sec. 24: all;
 Sec. 25: all;
 Sec. 26: lots 1, 2 and 3, N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$;
 Sec. 27: lots 1, 2, 3, 4, 5, 6, 7 and 8, N $\frac{1}{2}$,
 N $\frac{1}{2}$ SW $\frac{1}{4}$;
 Sec. 28: lots 1, 2, 3, 4, 5, 6, 7, 8 and 9, NE $\frac{1}{4}$,
 N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
 Sec. 29: lots 1, 2, 3, 4, 5, 6, 7 and 8, N $\frac{1}{2}$;
 Sec. 30: lots 7, 8, 9 and 10;
 Sec. 31: lots 1, 2, 3 and 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$;
 Sec. 32: all;
 Sec. 33: lots 1, 2 and 3, S $\frac{1}{2}$ N $\frac{1}{2}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$,
 S $\frac{1}{2}$;
 Sec. 34: lot 1, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$,
 S $\frac{1}{2}$;
 Sec. 35: lots 1, 2, 3, 4, 5 and 6, W $\frac{1}{2}$ NW $\frac{1}{4}$,
 SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
 Sec. 36: lots 1, 2, 3, 4, 5, 6 and 7, NE $\frac{1}{4}$,
 N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$
 SE $\frac{1}{4}$.
 Containing 21,094.14 acres.

2. The land within this township is mostly gravel and rocks with some clay, sand and soil in the lower elevations.

The northwest one-third of the township and sections 31 through 34 are rough and mountainous, ranging in elevation from two to six thousand feet. The remainder is rolling land, the elevation ranging from two to three thousand feet.

The lower land is covered with moss, alder, blueberry and cranberry brush and scattered small black spruce. The higher elevations support only moss. The Matanuska River enters the township on the south boundary of section 36 and flows westerly, leaving the township in section 30. The East Fork of the Matanuska River enters on the east boundary of section 13 and flows into the main river in section 28.

The Glenn Highway crosses the township diagonally from about 10 chains north of the corner of sections 19, 24, 25 and 30, on the west boundary to about 13 chains south of the northeast corner of the township.

3. The public lands affected by this order are open to the operation of the public land laws, subject to any valid existing rights, the provisions of existing withdrawals, including Public Land Order 5418, filed March 28, 1974, and the requirements of applicable law, rules and regulations.

4. Inquiries concerning the lands should be addressed to the Manager, Anchorage Land Office, 555 Cordova Street, Anchorage, Alaska 99501.

Dated: October 18, 1974.

CLARK R. NOBLE,
 Land Office Manager.

[FR Doc.74-25728 Filed 11-4-74;8:45 am]

Bureau of Outdoor Recreation

[Int Des 74-101]

PROPOSED UPPER DELAWARE NATIONAL SCENIC AND RECREATIONAL RIVER

Notice of Availability of Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act, the Bureau of Outdoor Recreation has prepared a draft environmental statement for the proposed upper Delaware National Scenic and Recreation River, Pennsylvania and New York.

The environmental statement considers the probable impact of establishing the upper Delaware River as a component of the National Wild and Scenic Rivers System.

Comments are invited and should be submitted to the Regional Director, Bureau of Outdoor Recreation, 600 Arch Street, Philadelphia, Pennsylvania 19106, within 45 days. Copies of the draft statement are available for inspection at the following locations:

Office of Communications
 Department of the Interior, Room 7200
 Washington, D.C. 20240
 Telephone: (202) 343-4662

Office of Information
 Bureau of Outdoor Recreation, Room 4427
 Department of the Interior
 Washington, D.C. 20240
 Telephone: (202) 343-5726

Office of Regional Director
 Bureau of Outdoor Recreation
 600 Arch Street
 Philadelphia, Pennsylvania 19106
 Telephone: (215) 597-7991

State Clearinghouse
 New York State Office of Planning Services
 488 Broadway
 Albany, New York 12207

State Clearinghouse
 Office of State Planning and Development
 Box 1323
 Harrisburg, Pennsylvania 17120

State Clearinghouse
 Division of State and Regional Planning
 Department of Community Affairs
 Post Office Box 2768
 Trenton, New Jersey 08625

Southern Tier East Regional Planning and Development Board
 19 East Main Street
 Norwich, New York 13815
 Tri-State Regional Planning Commission
 100 Church Street
 New York, New York 10007
 Economic Development Council of Northeast Pennsylvania
 Post Office Box 777
 Avoca, Pennsylvania 18612
 Northern Tier Regional Planning and Development Commission
 507 Main Street
 Towanda, Pennsylvania 18848

Single copies are available to the public and may be obtained by writing to the Regional Director, Bureau of Outdoor Recreation, 600 Arch Street, Philadelphia, Pennsylvania 19106. Please refer to the statement number shown above.

Dated: October 29, 1974.

STANLEY D. DOREMUS,
 Deputy Assistant Secretary
 of the Interior.

[FR Doc.74-25768 Filed 11-4-74;8:45 am]

Fish and Wildlife Service

COYOTE DAMAGE CONTROL: SHEEP AND GOATS

Report on Emergency Use of M-44 Devices Through August

Notice is hereby given on the emergency use of M-44 devices by the Department of Interior's operational predator damage control program, from inception and through the month of August. This is in compliance with the experimental use permit (No. 6704-EXP-6G) issued by the Environmental Protection Agency pursuant to Section 5 of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) as amended (7 U.S.C. 135-135K), and in accordance with 40 CFR, 162.19, as promulgated in the FEDERAL REGISTER on January 31, 1974 (39 FR 3939). This report is made pursuant to FEDERAL REGISTER Notice of June 20, 1974 (39 FR 22166).

Cumulative data for approval to use the M-44 device during June, July and August is as follows:

M-44 EMERGENCY USE APPROVAL, JUNE, JULY, AUGUST 1974

State	Number counties	Number ranches	Number sheep and goats protected	Number M-44's approved
Arizona.....	3	15	1,443	307
Idaho.....	1	1	1,400	20
Montana.....	19	27	20,748	783
Nevada.....	2	5	7,921	180
New Mexico.....	7	14	8,291	550
Oregon.....	4	16	2,431	156
Texas.....	27	111	85,604	1,935
Utah.....	7	13	14,222	295
Wyoming.....	6	22	30,312	1,070
Totals.....	96	224	172,372	5,296

Although summer weather conditions inhibited M-44 effectiveness, 79 coyotes were taken by this device during this time period.

All of the above use of M-44 devices as a supplemental tool to attempt to resolve coyote depredation on sheep and goats was conducted by trained Service personnel in accordance with the Procedure For Advance Identification and Approval of Areas For the Possible Emergency Use of Sodium Cyanide Delivered by the M-44 Device for the Control of Depredating Canids, as it appears in the FEDERAL REGISTER, Volume 39, No. 120—Thursday, June 20, 1974.

LYNN M. GREENWALT,
Director,
U.S. Fish and Wildlife Service.

OCTOBER 30, 1974.

[FR Doc. 74-25779 Filed 11-4-74; 8:45 am]

National Park Service

NATIONAL REGISTER OF HISTORIC PLACES

Additions, Deletions, and Corrections

By notice in the FEDERAL REGISTER of February 19, 1974, Part II, there was published a list of the properties included in the National Register of Historic Places. This list has been amended by a notice in the FEDERAL REGISTER of March 5 (pp. 8357-8362), April 2 (pp. 12042-12046), May 7 (pp. 16173-16177), June 4 (pp. 19791-19796), July 2 (pp. 24383-24388, August 6 (pp. 28295-28301), September 3 (pp. 31930-31936), and October 1 (pp. 35396-35402). Further notice is hereby given that certain amendments or revisions in the nature of additions, deletions, or corrections to the previously published list are adopted as set out below.

It is the responsibility of all Federal agencies to take cognizance of the properties included in the National Register as herein amended and revised in accordance with section 106 of the National Historic Preservation Act of 1966, 80 Stat. 915, 16 U.S.C. 470.

The following properties have been added to the National Register since October 1, 1974:

Alaska

Interior District

Lignite vicinity, *Dry Creek Archaeological Site*, SW of Lignite (9-6-74)
Sourdough, *Sourdough Lodge*, Richardson Highway (10-1-74)

Southcentral District

Katalla vicinity, *Chilkat Oil Company Refinery Site*, Katalla Road (9-6-74)

Arizona

Cocconino County

Grand Canyon, *El Tovar Hotel*, Grand Canyon National Park Route 8A (9-6-74)
Grand Canyon, *El Tovar Stables*, off Grand Canyon National Park Route 8A (9-6-74)
Grand Canyon, *Grand Canyon Railroad Station*, Grand Canyon National Park Route 8A (9-6-74)

Grand Canyon, *Superintendent's Residence*, off Grand Canyon National Park Route 8A (9-6-74)

Grand Canyon, *Water Disposal Plant*, off Grand Canyon National Park Route 8A (9-6-74)

Arkansas

Clark County

Arkadelphia vicinity, *Bayou Sel*, E of Arkadelphia (9-10-74)

Phillips County

Helena, *Battery D*, Military Road (9-17-74)
Helena, *Tappan*, Major James Alexander, House, 727 Columbia Street (9-9-74)

Washington County

Fayetteville, *Gregg House*, 339 N. Gregg Street (9-17-74)

California

Los Angeles County

Lynwood, *Lynwood Pacific Electric Railway Depot*, 11453 Long Beach Boulevard (9-25-74)

Modoc County

Alturas, *Nevada-California-Oregon Railway Company General Office Building*, 619 N. Main Street (9-6-74)

Napa County

Napa, *Kee, Sam*, Laundry Building, 1245 Main Street (10-1-74)

San Diego County

San Diego, *Initial Point of Boundary between U.S. and Mexico*, S of Imperial Beach off Monument Road (9-6-74)

San Francisco County

San Francisco, *Jessie Street Substation C*, 222-226 Jessie Street (9-6-74)

San Mateo County

Menlo Park, *Menlo Park Railroad Station*, 1100 Merrill Street (10-1-74)

Colorado

Douglas County

Palmer Lake vicinity, *Quick, Ben*, Ranch and Fort, 6695 W. Plum Creek Road N of Palmer Lake (10-1-74)

Jefferson County

Buffalo Creek, *Blue Jay Inn*, Highway 126 (10-1-74)

Buffalo Creek vicinity, *Green Mercantile Store*, NW of Buffalo Creek off Highway 126 (10-1-74)

Buffalo Creek vicinity, *Green Mountain Ranch*, S of Buffalo Creek on Highway 126 (10-1-74)

Connecticut

Hartford County

Enfield, *Enfield Town Meetinghouse*, Enfield Street at South Road (9-10-74)

Delaware

Kent County

Camden, *Camden Historic District*, both sides of Camden-Wyoming Avenue and Main Street (9-17-74)

District of Columbia

Washington

Gallaudet College Historic District, Florida Avenue and 7th Street, NE (9-10-74)

Florida

Alachua County

Gainesville, *Thomas Hall*, Fletcher Drive on University of Florida campus (10-1-74)

Collier County

Naples, *Seaboard Coast Line Railroad Depot*, 1051 Fifth Avenue, South (9-10-74)

Dade County

Miami, *Halissee Hall*, 1700 N.W. 10th Avenue (10-1-74)

Franklin County

Little St. George Island, *Cape St. George Light*, southern point of Little St. George Island (9-10-74)

Gadsden County

Quincy, *Quincy Library*, 303 N. Adams Street (9-9-74)

Hillsborough County

Tampa, *Leiman House*, 716 South Newport (9-9-74)

Tampa, *1415 North Franklin Street*, 1415 N. Franklin St. (9-17-74)

Tampa, *Taliaferro, T. C., House*, 305 S. Hyde Park (10-1-74)

Tampa, *Tampa City Hall*, 315 John F. Kennedy Blvd., East (10-1-74)

Lee County

Sanibel, *Sanibel Lighthouse and Keeper's Quarters*, Point Ybel on Sanibel Island (10-1-74)

Leon County

Tallahassee, *First Presbyterian Church*, 102 N. Adams Street (9-9-74)

Georgia

Chattahoochee County

Cusseta, *Chattahoochee County Courthouse*, off U.S. 27/280 (9-12-74)

Clay County

Fort Gaines vicinity, *Toney-Standley House*, NW of Fort Gaines off Ga. 39 (9-17-74)

Jones County

Clinton, *Old Clinton Historic District* (9-12-74)

Guam

Agana, *Agana Spanish Bridge*, Aspinall Street and Route 1 (9-6-74)

Agat, *Taleyfac Spanish Bridge*, off Route 2 (9-10-74)

Merizo, *Merizo Convento*, Route 4 (9-17-74)

Hawaii

Hawaii County

Hilo, *U.S. Post Office and Office Building*, Kinooole and Waiuanuenue streets (10-1-74)

Indiana

Posey County

Mt. Vernon vicinity, *Mann Site*, E of Mt. Vernon (10-1-74)

Iowa

Des Moines County

Burlington, *Snake Alley*, N. Sixth Street, between Washington and Columbia streets (9-6-74)

Johnson County

Iowa City, *Kirkwood House*, 1101 Kirkwood (9-17-74)

Scott County

Davenport, *Frick's Tavern*, 1402-04 W. Third Street (9-9-74)

Wapello County

Eldon, *American Gothic House* (Dibble House), Burton & Gothic streets (10-1-74)

Ottumwa vicinity, *Mars Hill* (*Mars Hill Church and Cemetery*), SE of Ottumwa (9-13-74)

NOTICES

Kansas*Chase County*

Strong City vicinity, *Lower Fox Creek School*, NW of Strong City on KS 13/57 (9-6-74)

Douglas County

Eudora, *Pilla, Charles, House*, 615 Elm (9-6-74)
Lawrence, *Roberts, John N., House*, 1307 Massachusetts St. (9-6-74)

Kentucky*Franklin County*

Switzer, *Switzer Covered Bridge*, off Rocky Branch Road (9-6-74)

Louisiana*Caddo Parish*

Shreveport, *U.S. Post Office and Courthouse*, Marshall and Texas streets (9-12-74)

Maine*Sagadahoc County*

Topsham, *Pejepscot Paper Company*, off U.S. 201 at Androscoggin River (9-17-74)

Maryland*Baltimore (independent city)*

Westminster Presbyterian Church and Cemetery, 509 W. Fayette Street (9-17-74)

Baltimore County

Monkton vicinity, *St. James' Church*, SE of Monkton off Monkton Road (Md. 138) (9-12-74)

Charles County

Waldorf vicinity, *St. Catharine*, E of Waldorf near Jct. of Md. 232 and 382 (10-1-74)

Montgomery County

Poolesville vicinity, *Chiswell's Inheritance*, NW of Poolesville off Md. 109 (9-10-74)

Massachusetts*Essex County*

Boxford, *Spoofford-Barnes House*, Kelsey Road (9-6-74)

Danversport, *Fowler House*, 166 High Street (9-17-74)

Marblehead, *Abbot Hall*, Washington Square (9-6-74)

North Andover, *Parson Barnard House*, 179 Osgood Street (9-6-74)

Salem, *Gedney and Cox Houses*, 19 and 21 High Street (10-1-74)

Middlesex County

Wayland, *Wayland Center Historic District*, irregular pattern along both sides of U.S. 20 and Mass. 27 (9-6-74)

Norfolk County

Quincy, *Adams Academy*, 8 Adams Street (9-6-74)

Suffolk County

Chelsea, *Bellingham-Cary House*, 34 Parker Street (9-6-74)

Michigan*Genesee County*

Fenton, *Fenton Downtown Historic District*, bounded by Silver Lake Rd, Walnut, Ellen, and River Streets (9-26-74)

Tuscola County

Watrousville, *Watrous General Store*, 4607 W. Caro Road (10-1-74)

Minnesota*Hennepin County*

Excelsior, *Gideon, Peter, Homestead*, 24590 Glen Road (9-17-74)

Mississippi*Adams County*

Washington vicinity, *Fort Dearborn Site*, N of Washington off U.S. 61 (9-17-74)

Missouri*St. Francois County*

Bonne Terre, *Bonne Terre Mine*, MO 47 (9-9-74)

Nebraska*Dodge County*

Fremont, *Love-Larson Opera House*, 543 N. Broad Street (9-10-74)

Holt County

O'Neill, *Old Nebraska State Bank Building*, Douglas and 4th Streets (10-1-74)

New Jersey*Essex County*

(also in Hudson, Morris, Sussex and Warren Counties)

Morris Canal, irregular line beginning at Phillipsburg and ending at Jersey City (10-1-74)

Hudson County

Morris Canal (see Essex County)

Morris County

Morris Canal (see Essex County)

Sussex County

Morris Canal (see Essex County)

Warren County

Morris Canal (see Essex County)

New Mexico*Dona Ana County*

El Paso vicinity, *International Boundary Monument No. 1*, U.S. and Mexico, W of El Paso off I-10 (9-10-74)

New York

Fulton County (also in Herkimer County)

Dolgeville, *Dolge Company Factory Complex*, 1 S. Main Street (9-17-74)

Herkimer County

Dolge Company Factory Complex (see Fulton County).

Monroe County

Rochester, *City Hall Historic District*, S. Fitzhugh Street between Broad and W. Main Streets (9-17-74)

New York County

New York, *Tweed Courthouse (Criminal Court of the City of New York)*, 52 Chambers Street (9-25-74)

North Carolina*Cabarrus County*

Kannapolis vicinity, *Mill Hill*, W of Kannapolis on S.R. 1616 (9-10-74)

Catawba County

Catawba vicinity, *Perkins House*, N of Catawba off I-40 (10-1-74)

Cumberland County

Fayetteville, *St. John's Episcopal Church*, Green Street (9-6-74)

Durham County

Durham, *Bull Durham Tobacco Factory (American Tobacco Company)*, Pettigrew St. between Carr and Blackwell Streets (9-10-74)

Perquimans County

Hertford vicinity, *Sutton-Newby House*, E of Hertford (9-10-74)

Ohio*Ashtabula County*

Conneaut, *Cummins, David, Octagon House*, 301 Liberty Street (9-9-74)

Clermont County

Perintown vicinity, *Stonelick Covered Bridge*, E of Perintown (9-10-74)

Clinton County

Martinsville vicinity, *Martinsville Road Covered Bridge*, W of Martinsville (9-10-74)

Cuyahoga County

Bratenahl, *Gwinn Estate*, 12407 Lake Shore Boulevard (10-1-74)

Chagrin Falls, *Chagrin Falls Township Hall*, 83 N. Main Street (10-1-74)

Cleveland Heights, *Burdick, Harold B., House*, 2424 Stratford Road (9-17-74)

Fairfield County

Lancaster, *Bush, Samuel, House*, 1934 Cold Spring Drive (10-1-74)

Lockville, *Lockville Canal Locks*, off Pickerington-Lockville Road (9-10-74)

Hamilton County

Cincinnati vicinity, *Clough Creek and Sand Ridge Archaeological District*, Elstun Road (10-1-74)

Saylor Park, *Short Woods Park Mound*, 7036 Fernbank Avenue (10-1-74)

Lorain County

Avon, *Hurst, William E., House*, 33065 Detroit Avenue (9-11-74)

Madison County

Mount Sterling, *Mount Sterling Historic District*, both sides of London Street (10-1-74)

Mahoning County

Canfield, *Old Mahoning County Courthouse*, 7 Court Street (10-7-74)

Poland, *South Main Street District*, both sides of S. Main Street (10-1-74)

Muskingum County

Norwich vicinity, *Salt Creek Covered Bridge*, 3 mi. NW of Norwich (9-10-74)

Perry County

Somerset vicinity, *Parks Covered Bridge*, N of Somerset on C.R. 33 (9-10-74)

Summit County

Peninsula vicinity, *Ohio and Erie Canal Deep Lock*, S of Peninsula on Riverview Road (9-9-74)

Oklahoma*Washington County*

Bartlesville, *Price Tower*, Sixth Street and Dewey Avenue (9-13-74)

Pennsylvania*Allegheny County*

Pittsburgh, *Evergreen Hamlet*, Evergreen Hamlet Road (9-17-74)

Westmoreland County

Torrance vicinity, *Western Division-Pennsylvania Canal (Conemaugh River Lake)*, N of Torrance (9-17-74)

South Carolina*Beaufort County*

Frogmore vicinity, *Penn Center Historic District*, S of Frogmore on SC 37 (9-9-74)

Charleston County

Mt. Pleasant vicinity, *Pritchard, Paul, Shipyard*, about 2 mi. N of Mt. Pleasant (9-17-74)

Dorchester County

Stallsville vicinity, *Newington Plantation*, W of Stallsville (9-17-74)

Laurens County

Laurens, *Dunklin, James, House*, 544 W. Main Street (10-1-74)

Tennessee**Davidson County**

Antioch, *Hays-Kiser House*, 834 Reeves Road (9-10-74)

Monroe County

Madisonville, *Stickley House*, W of intersection of U.S. 411 and TN 68 (9-10-74)

Texas**Brewster County**

Big Bend National Park, *Castolon Historic District*, along Rio Grand at jct. of Park routes 5, 9, and 35 (9-6-74)
Big Bend National Park, *Hot Springs*, W of Rio Grande Village (9-17-74)
Big Bend National Park, *Mariscal Mine*, about 25 miles W of Rio Grande Village on River Road (9-13-74)

Mason County

Mason, *Mason Historic District*, irreg. pattern along both sides of U.S. 87 and TX 29 (9-17-74)

Utah**Beaver County**

Beaver vicinity, *Fort Cameron*, E of Beaver on UT 153 (9-9-74)

Vermont**Addison County**

Middlebury vicinity, *Halpin Covered Bridge*, NE of Middlebury (9-10-74)
Middlebury vicinity, *Pulp Mill Covered Bridge*, NW of Middlebury off VT 23 (9-10-74)
West Salisbury vicinity, *Cedar Swamp Covered Bridge*, W of West Salisbury (9-10-74)

Chittenden County

Charlotte vicinity, *Holmes Creek Covered Bridge*, NW of Charlotte (9-6-74)
East Charlotte vicinity, *Quinlan's Covered Bridge*, S of East Charlotte (9-10-74)
East Charlotte vicinity, *Seguin Covered Bridge*, SE of East Charlotte (9-6-74)

Lamoille County

Johnson vicinity, *Scribner Covered Bridge*, E of Johnson (10-1-74)
Stowe vicinity, *Gold Brook Covered Bridge*, S of Stowe (10-1-74)
Waterville vicinity, *Jaynes Covered Bridge*, NE of Waterville (10-1-74)
Wolcott vicinity, *Fisher Covered Railroad Bridge*, SE of Wolcott (10-1-74)

Orange County

Chelsea vicinity, *Moxley Covered Bridge*, S of Chelsea (9-10-74)
Thetford Center, *Thetford Center Covered Bridge*, across Ompompanoosue River (9-17-74)
Tunbridge vicinity, *Gilley Covered Bridge*, SW of Tunbridge (9-10-74)
Tunbridge vicinity, *Flint Covered Bridge*, NE of Tunbridge off VT 110 (9-10-74)
Tunbridge vicinity, *Howe Covered Bridge*, S of Tunbridge off VT 110 (9-10-74)
Union Village, *Union Village Covered Bridge*, across Ompompanoosue River (9-17-74)

Rutland County

Brandon vicinity, *Dean Covered Bridge*, S of Brandon across Otter Creek (9-10-74)

Washington County

Northfield vicinity, *Upper Cox Brook Covered Bridge*, N of Northfield off VT 12 (10-1-74)
Waitsfield, *Great Eddy Covered Bridge*, E of VT 100 (9-6-74)

Virginia**Hanover County**

Mechanicsville vicinity, *Hanover Town*, NE of Mechanicsville off VA 605 (9-17-74)

Washington County

Abingdon vicinity, *White's Mill*, NW of Abingdon on White Mill Road (VA 692) (9-10-74)

Washington**Chelan County**

Cashmere, *Burbank Homestead Waterwheel*, Cottage Avenue (9-6-74)
Cashmere vicinity, *Blewett Arrastra*, S of Cashmere on U.S. 97 (9-17-74)

Okanogan County

Conconully vicinity, *Conconully Reservoir Dam*, S of Conconully (9-6-74)

West Virginia**Berkeley County**

Martinsburg, *Federal Aviation Administration Records Center* (Old Court House), 300 W. King Street (9-10-74)

Wisconsin**Dane County**

Madison, *Bascom Hill Historic District*, bounded by Observatory Drive, University Ave., N. Park, Langdon, and State sts. (9-12-74)

Douglas County

Superior, *Meteor* (whaleback carrier), NW tip of Barkers Island (9-9-74)

Portage County

Plover, *Morgan, J. H., House*, Madison Avenue and Green Drive (10-1-74)

The following are corrections for properties previously listed in the FEDERAL REGISTER:

California**Riverside County**

Palm Springs vicinity, *Andreas Canyon* (Rincon Village), S. Palm Canyon Drive (1-8-73)

Delaware**Kent County**

Clayton vicinity, *Jones, Enoch, House* (Boxwood), SW of Clayton off DE 300 (6-19-73)
Milford, *Thorne, Parson, Mansion* (Silver Hill), 501 NW Front Street (6-21-71)

New Castle County

Centerville, *Center Meeting and Schoolhouse*, Center Meeting Road (12-16-71)
Wilmington, *Fort Christina Monument*, E. 7th Street and the Christine River, Fort Christina State Park

Florida**Brevard County**

Sebastian vicinity, *Spanish Fleet Survivors and Salvors Camp Site*, between Sebastian and Sebastian Inlet (8-12-70)

Georgia**Clark County**

Athens, *Chase, Albion, House* (Old Presbyterian Manse), 185 N. Hull Street (8-19-74)

Thomas County

Thomasville, *Bryan-Davis House* (Cater House), 312 N. Broad Street (8-12-70)
Thomasville, *Burch-Mitchell House*, 737 Remington Avenue (9-4-70)
Thomasville, *Hansell, Augustine, House*, 429 S. Hansell Street (6-22-70)
Thomasville, *Lapham-Patterson House* (Scarborough House), 626 N. Dawson Street (8-12-70)
Thomasville, *Park Front* (Charles Hebard House), 711 S. Hansell Street (8-12-70)

Iowa**Guthrie County**

Panora, *Panora-Linden High School* (Guthrie County High School), bounded by Main, Vine, Market and Second streets (7-23-74)

Louisiana**Orleans Parish**

New Orleans, *Rabassa, Jean Louis, House* (McDonogh No. 18 School Annex), 1125 St. Ann Street (2-15-74)

Maine**Androscoggin County**

Sabbathday Lake vicinity, *Shaker Village*, on Route 26 (12-3-69)

Cumberland County

Brunswick, *Richardson House* (Capt. George McManus House), 11 Lincoln Street (5-16-74)
Portland, *McLellan-Sweat Manston*, 111 High Street

Michigan**Macomb County**

Washington, *Washington Octagon House*, 57500 Van Dyke (9-3-71)

New Mexico**Santa Fe County**

Espanola vicinity, *San Ildefonso Pueblo* (Pohwoe), SW of Espanola off NM 4 (6-20-74)

New York**Albany County**

Coeymans, *Coeymans School* (Acton Civill Polytechnic Institute), SW corner of West-erio Street and Civill Avenue (12-29-70)

Oklahoma**Comanche County**

Lawton vicinity, *Building 309, Fort Sill Indian School*, E edge of Lawton off U.S. 62 (10-15-73)

Rhode Island**Newport County**

Newport, *Trinity Church*, Spring and Church streets

Texas**Travis County**

Austin, *Battle Hall* (Old Barker History Center), University of Texas, South Mall, University of Texas campus (8-25-70)

The following properties were omitted from the February 19, 1974 FEDERAL REGISTER:

Massachusetts**Plymouth County**

Middleboro vicinity, *Wapanucket Site*, SW of Middleboro off MA 25 (6-4-73)

Vermont**Windsor County**

Goulds Mill, *Eureka Schoolhouse*, Charleston Road (3-11-71)

The following properties have been demolished and removed from the National Register:

California**Santa Cruz County**

Santa Cruz, *McHugh and Bianchi Building*, Pacific Avenue and Mission Street

Wyoming**Park County**

Powell, *Shoshone Project Headquarters Office Building*, 305 E. First Street

The following properties have been removed from the National Register:

Florida**Leon County**

Tallahassee, *The Columns (Benjamin House)*, corner of Adams Street and Park Avenue

Massachusetts**Suffolk County**

Boston, *Alice S. Wentworth (schooner)*, pier 4, Northern Avenue

New Hampshire**Merrimack County**

Concord, *Pierce, Franklin, Manse*, 18 Penacook Street

Historic properties which are either (1) eligible for nomination to the National Register of Historic Places or (2) nominated but not yet listed are entitled to protection under Executive Order 11593. Before an agency of the Federal Government may undertake any project which may have an effect on such a property, the Advisory Council on Historic Preservation shall be given an opportunity to comment on the proposal. Authorization for such comment are in section 1(3) and section 2(b) of Executive Order 11593.

The Secretary of the Interior has determined that the following properties may be eligible for inclusion in the National Register of Historic Places and are therefore entitled to protection under section 1(3) and section 2(b) of Executive Order 11593 and other applicable Federal legislation. All determinations of eligibility are made under the Secretary of the Interior's authorities in sections 2(b) and 3(f) of Executive Order 11593. This list is not complete. As required by Executive Order 11593, an agency head shall refer any questionable actions to the Secretary of the Interior for an opinion respecting the property's eligibility for inclusion in the National Register.

Alabama**Dallas County**

Selma, *Gill House*, 1109 Selma Avenue

Madison County

Huntsville, *Lee House*, Red Stone Arsenal

Alaska**Northwestern District**

Little Diomed Island, *Iyapana, John, House*

Arizona**Cochise County**

Sierra Vista vicinity, *Old Fort Huachuca*, west of Sierra Vista

Coconino County

Grand Canyon National Park, *Old Post Office*, Grand Canyon National Park, *O'Neill, Buckey, Cabin*, Grand Canyon National Park, *Ranger's Dormitory*, Sedona vicinity, *Mayhew's Lodge*, N of Sedona on U.S. 89A in Coconino National Forest.

Pima County

Tucson vicinity, *Old Santan*, NW of Tucson.

Yuma County

Wickenburg vicinity, *Harquahala Peak Observatory*, SW of Wickenburg Yuma, *Southern Pacific Depot*.

Arkansas**Ouachita County**

Camden, *Old Post Office*, Washington Street

California**Imperial County**

Glamis vicinity, *Chocolate Mountain Archeological District*.

Marin County

Point Reyes, *Point Reyes Light Station*.

Modoc County

Alturas vicinity, *Rail Spring*, about 30 miles north of Alturas in Modoc National Forest. Alturas vicinity, *Yellowjackets Landing*, NW of Alturas in Modoc National Forest. Canby vicinity, *Sevenmile Flat*, NW of Canby in Modoc National Forest.

Monterey County

Big Sur, *Point Sur Light Station*, King City vicinity, *Painted Cave*, SW of King City on Hunter Liggett Military Reservation. Pacific Grove, *Point Pinos Light Station*.

Riverside County

Blythe vicinity, *Blythe Intaglios, Indian Intaglios*, N of Blythe on U.S. 95.

San Luis Obispo County

San Luis Obispo, *San Luis Obispo Light Station*.

San Mateo County

Ano Nuevo vicinity, *Pigeon Point Light Station*, Hillsborough, *Point Montara Light Station*.

Shasta County

Whiskeytown, *Irrigation System (165 and 166)*, Whiskeytown National Recreation Area.

Sonoma County

Dry Creek-Warm Springs Valley Archeological District, Santa Rosa, *Santa Rosa Post Office*.

Colorado**Denver County**

Denver, *Eisenhower Memorial Chapel*, Building No. 27, Reeves Street, on Lowry AFB. Denver, *West Side Housing Historic District*, bounded by W. Colfax, W. 13th, Mariposato, and Speer streets.

Eagle County

Wolfcott, *Wolfcott Stage Station*.

Rio Blanco County

Meeker vicinity, *Thornburgh Monument*, NE of Meeker on Thornburgh Road 9 miles from junction CO 13 and 789. Rangely vicinity, *Canon Pintado*, S of Rangely on Highway 139. Rangely vicinity, *Carrot Men Pictograph Site*, SW of Rangely and W of Rangely Dragon Road.

Connecticut**Hartford County**

Hartford, *Church of the Good Shepherd and Parish House*, intersection of Wyllys Street and Van Block Avenue. Hartford, *Colt Factory Housing*, Huyshope Avenue between Sequassen and Weehasset streets. Hartford, *Colt Factory Housing*, Huyshope Village), Curcombe Street between Hendricksen Avenue and Locust Street. Hartford, *Colt Park* bounded by Wethersfield Avenue, Stonington, Wawarne, Curcombe, and Marseek streets, and by Huyshope and Van Block avenues. Hartford, *Colt, Colonel Samuel, Armory*, and related factory buildings, Van Dyke Avenue. Hartford, *Flat-iron Building (Motto Building)*, intersection of Congress Street and Maple Avenue. Hartford, *Houses on both sides of Congress Street*. Hartford, *Houses on Charter Oak Place*. Hartford, *Houses on Wethersfield Avenue*, between Morris and Wyllys streets, particularly Nos. 97-81, 65.

Middlesex County

Middletown, *Mather - Douglas - Santangelo House*, 11 South Main Street.

New Haven County

New Haven, *City Hall and Annex*. New Haven, *Post Office-Courthouse*, Church and Court streets. New Haven, *Tannery Building and appended office*, 202 George Street.

New London County

New London, *Thames Shipyard*, west bank of Thames River north of the U.S. Coast Guard Academy.

Delaware**New Castle County**

Wilmington, *Wilmington Custom House*, King Street.

Suffolk County

Lewes, *Delaware Breakwater*. Lewes, *Harbor of Refuge Breakwater*.

District of Columbia

Auditors' Building, 201 14th Street SW. Riggs Bank, 830 17th Street NW. Washington, *Aqueduct Georgetown Reservoir Castle Gatehouse*, Reservoir Road and MacArthur Boulevard NW.

Florida**Hillsborough County**

Tampa, *Firehouse No. 10*, Ybor City.

Georgia**Bryan County**

Fort Stewart, *Site of Old Fort Argyle*, NE of Headquarters via GA 144, E GA 67 North, E to Ogeechee River.

Chatham County

Archeological Site, north end of Skidway Island.

Clay County

Archeological Site WGC-73, downstream from Walter F. George Dam.

Fulton County

Fort McPherson, Forscom Command Sergeant Major's Quarters (Bldg. No. 532).

Heard County

Philpott Homesite and Cemetery, on bluff above Chattahoochee River where Grayson Trail leads into river.

Stewart County

Rood Mounds.

Sumter County

Americus, Aboriginal Chert Quarry, Souther Field.

Hawaii

Moanalua Valley.

Hawaii County

Hawaii Volcanoes National Park, Mauna Loa Trail.

Maui County

Hana vicinity, Kipahulu Historic District, SW of Hana on Route 31.

Idaho**Ada County**

Boise, Ada Theater, 700 Main Street.

Boise, Alexanders, 826 Main Street.

Boise, Falks Department Store, 100 North Eighth Street.

Boise, Idaho Building, 216 North Eighth Street.

Boise, Simplot Building (Boise City National Bank), 805 Idaho Street.

Boise, Union Building, 712½ Idaho Street.

Clearwater County

Orofino vicinity, Canoe Camp—Site 18, W of Orofino on U.S. 12 in Nez Perce National Historical Park.

Custer County

Challis, Challis Bison Jump.

Idaho County

Kamiah vicinity, East Kamiah—Site 15, SE of Kamiah on U.S. 12 in Nez Perce National Historical Park.

Lemhi County

Tendoy, Lewis and Clark Trail, First Flag Unfurling.

Tendoy, Lewis and Clark Trail, Pattee Creek Camp.

Lewis County

Jacques Spur vicinity, St. Joseph's Mission (Slickpoo), S of Jacques Spur on Mission Creek off U.S. 95.

Nez Perce County

Lapwai, Fort Lapwai Officer's Quarters, Phinney Drive and C Street in Nez Perce National Park.

Lapwai, Spalding

Illinois**Cook County**

Chicago, McCarthy Building (Landfield Building), northeast corner of Dearborn and Washington

Chicago, Methodist Book Concern (later Stop and Shop Warehouse), 12 West Washington

Chicago, Ogden Building, 130 West Lake Street

Chicago, Oliver Building, 159 North Dearborn Street

Chicago, Springer Block (Bay, State, and Kranz Buildings), 126-146 North State

Chicago, Unity Building, 127 North Dearborn Street

De Kalb County

De Kalb, Haish Barbed Wire Factory, corner of Sixth and Lincoln streets

Lake County

Fort Sheridan, Water Tower, Building 49, Leonard Wood Avenue

Indiana**Monroe County**

Bloomington, Carnegie Library

Kentucky**Jefferson County**

Louisville, Old Louisville Historic District, bounded on north by Broadway; on the west by Seventh and the Louisville/Nashville R.R. tracks; on the east by Interstate 65 and Brook Street; on the south by Eastern Parkway and Gaulbert Avenue.

Maryland**Anne Arundel County**

Annapolis, Thomas Point Shoals Light Station, on Kent Island in Chesapeake Bay. Chestertown, Bloody Point Bar Light, on Chesapeake Bay. Skidmore, Sandy Point Shoal Light, on Chesapeake Bay.

Baltimore County

Fort Howard, Craighill Channel Upper Range Front Light, on Chesapeake Bay. Sparrows Point, Craighill Channel Range Front Light, on Chesapeake Bay.

Cecil County

Perryville, Perry Point Mansion House, Veterans Administration Hospital Grounds. Perryville, Perry Point Mill, Veterans Administration Hospital Grounds. Sassafras Elk Neck, Turkey Point Light, at Elk River and Chesapeake Bay.

Dorchester County

Hoopersville, Hooper Island Light, Chesapeake Bay—Middle Hooper Island

Harford County

Havre De Grace, Havre De Grace Light

St. Marys County

Piney Point, Piney Point Light Station. St. Ingoes, St. Ingoes Manor House, Naval Electronic Systems Test and Evaluation Detachment.

St. Marys City, Point No Point Light, on Chesapeake Bay.

Talbot County

Tilgman Island, Sharps Island Light, on Chesapeake Bay.

Minnesota**Cook County**

Grand Marais vicinity, Height of Land, NW of Grand Marais in Superior National Forest.

Winona County

Winona, Second Street Commercial Block.

Missouri**Buchanan County**

St. Joseph, Hall Street Historic District, bounded by 4th Street on West, Robidoux on South, 10th on East, and Michel, Corby, and Ridenbaugh on North.

Clay County

Smithville, Aker Cemetery.

Dent County

Lake Spring, Hyer, John, House.

Franklin County

Leslie, Noser's Mill and adjacent Miller's House, Rural Route 1.

St. Louis (independent city)

St. Louis Air Force Station, Second and Arsenal streets.

Montana**Carbon County**

Barry's Landing, Bad Pass Trail (Sioux Trail), Big Horn Canyon National Recreation Area. Hardin, Pretty Creek Site (Hough Creek Site), Big Horn Canyon National Recreation Area.

Lewis and Clark County

Marysville, Marysville Historic District.

Park County

Mammoth, Chapel at Fort Yellowstone, Yellowstone National Park.

Ravalli County

Conner vicinity, Alta Ranger Station, S of Conner in Bitterroot National Forest.

Nebraska**Madison County**

Norfolk, Federal Building (U.S. Post Office and Courthouse), corner of Fourth Street and Madison Avenue.

Nevada**Churchill County**

Stillwater Marsh, NE of U.S. 50 and NV 42.

Nye County

Las Vegas vicinity, Emigrant's Trail, about 75 miles northwest of Las Vegas on U.S. 95.

Storey County (also in Washoe County)

Sparks vicinity, Derby Diversion Dam, on the Truckee River 19 miles east of Sparks, along Interstate 80.

Washoe County

Derby Diversion Dam. See Storey County.

New Hampshire**Grafton County**

Bedell Covered Bridge.

New Jersey**Middlesex County**

New Brunswick, Delaware and Raritan Canal, between Albany Street Bridge and Landing Lane Bridge.

Sussex County (also in Warren County)

Old Mine Road Historic District.

Warren County

Old Mine Road Historic District. See Sussex County.

New York**Bronx County**

New York, North Brothers Island Light Station, in center of East River.

Greene County

New York, Hudson City Light Station, in center of Hudson River.

Richmond County

New York, Romer Shoal Light Station, located in lower bay area of New York Harbor.

Suffolk County

New York, Fire Island Light Station, U.S. Coast Guard Station.

New York, Little Gull Island Light Station, off North Point of Orient Point, Long Island.

NOTICES

New York, *Plum Island Light Station*, off Orient Point, Long Island.
New York, *Race Rock Light Station*, south of Fishers Island, 10 miles north of Orient Point.

Ulster County

Kingston vicinity, *Esopus Meadows Light Station*, middle of Hudson River.
New York, *Rondout North Dike Light*, center of Hudson River at junction of Rondout Creek and Hudson River.
New York, *Saugerties Light Station*, Hudson River.

Westchester County

Port Washington vicinity, *Ezeccution Rocks Light Station*, lower southwest portion of Long Island Sound.
White Plains, *Westchester County Courthouse Complex*, corner of Main and Court streets.

North Carolina

U.S.S. Monitor, Outer Continental Shelf, about 15 miles off coast of North Carolina.

Brunswick County

Southport, *Fort Johnston*, Moore Street.

Cumberland County

Fayetteville, *Veterans Administration Hospital Confederate Breastworks*, 23 Ramsey Street.

Dare County

Buxton, *Cape Hatteras Light*, Cape Hatteras National Seashore.

Hyde County

Ocracoke, *Ocracoke Lighthouse*.

New Hanover County

Wilmington, *Market Street Mansions District*, both sides of Market Street between 17th and 18th streets.

Ohio

Clermont County

Neville vicinity, *Maynard House*, 2 miles east of Neville off U.S. 52.

Pickaway County

Williamsport vicinity, *The Shack (Daugherty, Harry, House)*, 5.5 miles northwest of Williamsport.

Seneca County

Tiffin, *Old U.S. Post Office*, 215 S. Washington Street.

Oklahoma

Comanche County

Fort Sill vicinity, *Medicine Bluffs*, NW of Fort Sill.

Haskell County

Keota vicinity, *Otter Creek Archeological Site (34HS25)*, SW of Keota.

Kay County

Newkirk vicinity, *Bryson Archeological Site*, NE of Newkirk.

Oregon

Coos County

Charleston, *Cape Arago Light Station*.

Curry County

Port Orford, *Cape Blanco Light Station*.
Wolf Creek, *Rogue River Ranch*, Star Route, Box 78.

Douglas County

Winchester Bay, *Umpqua River Lighthouse*.

Josephine County

Whisky Creek Cabin.

Klamath County

Crater Lake National Park, *Crater Lake Lodge*.

Lane County

Roosevelt Beach, *Heceta Head Lighthouse*.
Roosevelt Beach, *Heceta Head Light Station*.

Lincoln County

Agate Beach, *Yaquina Head Lighthouse*.

Sherman County

Grass Valley vicinity, *Mack Canyon Archeological Site*, at end of BLM access road adjacent to Deschutes River N of Maupin.

Tillamook County

Tillamook, *Cape Meares Lighthouse*.

Pennsylvania

Brumbaugh Homestead, *Raystown Lake Project*.

Adams County

Gettysburg, *Barlow's Knoll*, adjacent to Gettysburg National Military Park.
Gettysburg, *Gettysburg Battlefield Historic District*.

Allegheny County

Bruceton, *Experimental Mine*, U.S. Bureau of Mines, off Cochran Mill Road.

Clinton County

Lockhaven, *Apsley House*, 302 East Church Street.
Lockhaven, *Harvey, Judge, House*, 29 North Jay Street.
Lockhaven, *McCormick, Robert, House*, 234 East Church Street.
Lockhaven, *Mussina, Lyons, House*, 23 North Jay Street.

Mercer County

Greenville vicinity, *Kidd's Mills Historical Area (Shenango River Lake)*, 5 miles S of Greenville.
Greenville vicinity, *New Hamburg Historical Area*, south of Greenville on both banks of the Shenango River, off PA 58.
Mercer vicinity, *Big Bend Historical Area*, NW of Mercer.

Northampton County

Dorneyville, *King George Inn and two other stone houses*, intersection of Hamilton and Cedar Crest Boulevards.

South Dakota

Pennington County

Rapid City, *Rapid City Historical Commercial District*, 612-632 Main Street.

Tennessee

Henry County

Mt. Zion Church and Cemetery (United Baptist Church).

Texas

Galveston County

Galveston, *U.S. Customhouse*, bounded by Avenue B; 17th, Water, and 18th Sts.

Potter County

Lake Meredith Recreation Area, *McBridge Ranch House*.

Utah

Tooele County

Wendover vicinity, *Wendover Air Force Base*, S of Wendover.

Vermont

Franklin County

Highgate Falls, *Lenticular or Parabolic Truss Bridge*, over Missisquoi River.

Windsor County

Weathersfield, *Historic Crown Point Road*.
Windsor, *Post Office Building*.

Washington

Clallam County

Segulm, *New Dungeness Light Station*.

Clark County

Vancouver, *Officers Row*, Fort Vancouver Barracks.

Grays Harbor County

Westport, *Grays Harbor Light Station*.

King County

Burton, *Point Robinson, Light Station*.
Seattle, *Alki Point Light Station*.
Seattle, *West Point Light Station*.

Kitsap County

Hansville, *Point No Point Light Station*.

Pacific County

Ilwaco, *Cape Disappointment Light Station*.
Ilwaco, *North Head Light Station*.

Pierce County

Fort Lewis Military Reservation, *Captain Wilkes July 4, 1841, Celebration Site*.

San Juan County

San Juan Islands, *Patos Island Light Station*.

Snohomish County

Mukilteo, *Mukilteo Light Station*.

West Virginia

Cabell County

Huntington, *Old Bank Building*, 1208 Third Avenue.

Kanawha County

Saint Albans, *Chilton House*, 439 B Street.

Wood County

Parkerburg, *Wood County Courthouse*.

Wisconsin

Door County

Chambers Island, *Chambers Island Light-house Dwelling*, northern tip Chambers Island, Green Bay, Lake Michigan.

Wyoming

Goshen County

Torrington, *Union Pacific Depot*.

Puerto Rico

Mona Island, *Sardinero Site and Ball Courts*.

ERNEST A. CONNALLY,
Associate Director,
Professional Services.

[FR Doc.74-25683 Filed 11-4-74;8:45 am]

BUFFALO NATIONAL RIVER, ARKANSAS Wilderness Study; Public Hearings

Notice is hereby given in accordance with section 6 of the Act of March 1, 1972 (86 Stat. 46), and in accordance with Departmental procedures as identified in 43 CFR 19.5 that public hearings will be held beginning at 1:00 p.m. and 7:00 p.m. on December 5, 1974, in the Harrison City Hall, 112 South Spring, Harrison, Arkansas, for the purpose of

receiving comments and suggestions on the wilderness study.

A report entitled "Buffalo National River Wilderness Study—Environmental Assessment" containing alternative proposals may be obtained from the Superintendent, Buffalo National River, P.O. Box 1173, 113 E. Rush, Harrison, Arkansas 72601, or from the Regional Director, Southwest Region, National Park Service, P.O. Box 728, Old Santa Fe Trail, Santa Fe, New Mexico 87501.

A description of the alternatives and alternative maps are available for review in the above offices and in Room 1210 of the Department of the Interior Building at 18th and C Streets N.W., Washington, D.C.

Interested individuals, representatives of organizations and public officials are invited to express their views in person at the aforementioned public hearings, provided they notify the Hearing Officer, in care of the Superintendent, Buffalo National River, P.O. Box 1173, 113 East Rush, Harrison, Arkansas 72601, by November 29, 1974, of their desire to appear. Those not wishing to appear in person may submit written statements on the wilderness study to the Hearing Officer at that address for inclusion in the official record which will be held open for written statements until January 4, 1975.

Time limitations may make it necessary to limit the length of oral presentations and to restrict to one person the presentation made in behalf of an organization. An oral statement may, however, be supplemented by a more complete written statement which may be submitted to the Hearing Officer at the time of presentation of the oral statement. Written statements presented in person at the hearings will be considered for inclusion in the transcribed hearing record. However, all materials so presented at the hearings shall be subject to determinations that they are appropriate for inclusion in the transcribed hearing record. To the extent that time is available after presentation of oral statements by those who have given the required advance notice, the Hearing Officer will give others present an opportunity to be heard.

After a presentation of the alternatives by a representative of the National Park Service, the Hearing Officer insofar as possible will adhere to the following order in calling for the presentation of oral statements:

- (1) Governor of the State or his representative.
- (2) Members of Congress.
- (3) Members of the State Legislature.
- (4) Official representative of the counties in which the proposed wilderness is located.
- (5) Officials of other Federal agencies or public bodies.
- (6) Organizations in alphabetical order.
- (7) Individuals in alphabetical order.
- (8) Others not giving advance notice, to the extent there is remaining time.

Dated: October 22, 1974.

RICHARD C. CURRY,
Associate Director,
National Park Service.

[FR Doc. 74-25682 Filed 11-4-74; 8:45 am]

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

[Designation Number A084]

UTAH

Designation of Emergency Areas

The Secretary of Agriculture has found that a general need for agricultural credit exists in the following counties in Utah:

Beaver	Plute
Carbon	Rich
Daggett	Sevier
Emery	Tooele
Garfield	Uintah
Kane	Wayne
Millard	

The Secretary has found that this need exists as a result of natural disasters consisting of insufficient snowfall during winter 1973-74, and drought March 1 through September 26, 1974, in Daggett and Uintah Counties; drought June 1 through September 27, 1974, in Rich County; and drought between January 1 and September 18, 1974, in Beaver, Carbon, Emery, Garfield, Kane, Millard, Plute, Sevier, Tooele, and Wayne Counties.

Therefore, the Secretary has designated these areas as eligible for Emergency loans, pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Public Law 93-237, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor Calvin L. Rampton that such designation be made. Applications for Emergency loans must be received by this Department no later than December 23, 1974, for physical losses and July 24, 1975, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans. The urgency of the need for loans in the designated areas makes it impractical and contrary to the public interest to give advance notice of proposed rule making and invite public participation.

Done at Washington, D.C., this 30th day of October, 1974.

FRANK B. ELLIOTT,
Administrator,

Farmers Home Administration.

[FR Doc. 74-25738 Filed 11-4-74; 8:45 am]

[Notice of Designation Number A083]

MISSOURI

Designation of Emergency Areas

The Secretary of Agriculture has found that a general need for agricultural credit exists in the following counties in Missouri:

Harrison	Livingston
Johnson	Randolph

The Secretary has found that this need exists as a result of natural disasters consisting of excessive rainfall April 1 through June 15, 1974, and drought June 15 through August 15, 1974, in Har-

rison, Livingston, and Randolph Counties and excessive rainfall March 1 through June 10, 1974, and drought June 10 through August 15, 1974, in Johnson County.

Therefore, the Secretary has designated these areas as eligible for Emergency loans, pursuant to the provisions of the Consolidated Farm and Rural Development Act, as amended by Public Law 93-237, and the provisions of 7 CFR 1832.3(b) including the recommendation of Governor Christopher S. Bond that such designation be made.

Applications for Emergency loans must be received by this Department no later than December 23, 1974, for physical losses and July 24, 1975, for production losses, except that qualified borrowers who receive initial loans pursuant to this designation may be eligible for subsequent loans. The urgency of the need for loans in the designated areas makes it impracticable and contrary to the public interest to give advance notice of proposed rule making and invite public participation.

Done at Washington, D.C., this 30th day of October, 1974.

FRANK B. ELLIOTT,
Administrator,

Farmers Home Administration.

[FR Doc. 74-25739 Filed 11-4-74; 8:45 am]

Office of the Secretary

NATIONAL MEAT AND POULTRY INSPECTION ADVISORY COMMITTEE

Notice of Meeting

Correction

In FR Doc. 74-25310, appearing on page 38266 in the issue for Wednesday, October 30, 1974, the telephone number in the last paragraph should read "202/447-6313".

DEPARTMENT OF COMMERCE

Maritime Administration

[Docket No. S-429]

PRUDENTIAL LINES, INC.

Notice of Application

Notice is hereby given that Prudential Lines, Inc., has applied for authorization to operate a C-3 cargo vessel in addition to the presently operated C-4 cargo vessels operated on its subsidized service on Line C. Trade Route No. 4, and for permission for an annual contractual sailing maximum of 52 on that service. The applicant, under Operating-Differential Subsidy Agreement, Contract No. FMB-49, provides service on a required basis on Trade Route No. 4, between United States North Atlantic ports and the Venezuelan-Netherlands West Indies-North Coast of Colombia range; and on a privilege basis between United States Atlantic ports and Jamaica, Haiti, Dominican Republic, other West Indies ports and Caribbean ports in Central America. The applicant proposes to operate the vessel principally between the ports of Philadelphia and Baltimore and the Venezuelan ports of

La Guaira and Puerto Cabello. There exists a permanent contractual annual maximum of 30 sailings on the Trade Route No. 4 service, and a presently existing temporary contractual annual maximum of 54 sailings for the duration of the current charter of the vessel SS SANTA ANA or until March 21, 1975, unless a charter extension is approved by the Maritime Administration.

Any person, firm or corporation having any interest in such application and desiring a hearing on issues pertinent to section 605(c) of the Merchant Marine Act, 1936, as amended, (46 U.S.C. 1175) should by the close of business on November 11, 1974 notify the Secretary, Maritime Subsidy Board in writing, in triplicate, and file petition for leave to intervene in accordance with the Rules of Practice and Procedure of the Maritime Subsidy Board.

If no request for hearing and petition for leave to intervene is received within the specified time, or if the Maritime Subsidy Board determines that petitions for leave to intervene filed within the specified time do not demonstrate sufficient interest to warrant a hearing, the Maritime Subsidy Board will take such action as may be deemed appropriate.

(Catalog of Federal Domestic Assistance Program No. 11.504 Operating-Differential Subsidies (ODS))

By Order of the Maritime Subsidy Board/Maritime Administration.

Dated: November 1, 1974.

JAMES S. DAWSON, Jr.,
Secretary.

[FR Doc.74-25983 Filed 11-4-74; 8:45 am]

Social and Economic Statistics Administration

FOREIGN DIRECT INVESTMENT IN THE UNITED STATES—1974

Notice of Consideration for Survey and Request for Comments

Notice is hereby given that the Bureau of Economic Analysis is planning to conduct a survey of foreign direct investments in the United States in 1974. This survey will be taken under the provisions of the Foreign Investment Study Act of 1974, Pub. L. 93-479.

The purpose of the Survey of Foreign Direct Investment in the United States—1974 is to obtain complete and accurate data on the amount of foreign business investment in the United States at the end of 1974, the net increase in investment during the year, the return to foreigners on this investment, and certain aspects of the operations of multinational companies which affect the United States and foreign economies. The data collected in this Survey, which are not publicly available from nongovernmental or other governmental sources, will be used in the formulation of Government policy and will serve as a base from which data collected in sample surveys can be expanded to reliable total estimates. These total estimates are used

in the compilation and analysis of the United States balance of payments.

For the purpose of this survey, reports will be required for those business enterprises in which a foreign person holds a direct and/or indirect ownership interest of ten percent or more of the voting securities of an incorporated business enterprise, or an equivalent interest in an unincorporated business enterprise. Interest in real estate held for business purposes by a foreign owner is considered to be a business enterprise. Reports are required from the business enterprise itself; however, if the foreign controlling interest in a U.S. business enterprise, including real estate, was held, exercised, administered, or managed by a U.S. estate, trust, nominee, agent, manager, custodian, or other intermediary of the foreign beneficial owner, such estate, trust, nominee, agent, manager, custodian, or other intermediary shall be responsible for reporting the required information for the U.S. business enterprise, and shall report on behalf of the U.S. business enterprise or shall instruct the U.S. business enterprise in question to submit the required information.

Information furnished by respondents in this survey shall be held confidential, and used only for the statistical purposes for which it is supplied. No persons other than sworn employees of the Department of Commerce shall be permitted to examine individual reports, nor shall any statistics be published in such a manner that the information furnished by any person can be specifically identified.

This survey, if conducted, shall begin not earlier than January 1, 1975.

Copies of the proposed forms and general instructions are available upon request to the Director, Bureau of Economic Analysis, Washington, D.C. 20230, attention BE-50 (LM).

Any suggestions or recommendations concerning the subject-matter of this proposed Survey should be submitted in writing to the Director of the Bureau of Economic Analysis within 30 days of the date of this notice in order to receive consideration.

GEORGE JASZI,
Director,

Bureau of Economic Analysis.

[FR Doc.74-25696 Filed 11-4-74; 8:45 am]

SURVEY OF DISTRIBUTORS' STOCKS OF CANNED FOODS

Notice of Determination

In conformity with title 13, United States Code, sections 181, 224, and 225, and due notice of consideration having been published September 27, 1974 (39 FR 34699), I have determined that year-end data on stocks of 30 canned and bottled products, including vegetables, fruits, juices, and fish, are needed to aid the efficient performance of essential government functions, and have significant application to the needs of the public and industry and are not publicly available from nongovernmental or other governmental sources. This is a

continuation of the survey conducted in previous years.

All respondents will be required to submit information covering their December 31, 1974, inventories of 30 canned and bottled vegetables, fruits, juices, and fish. Reports will not be required from all firms but will be limited to a scientifically selected sample of wholesalers and retail multiunit organizations handling canned foods, in order to provide year-end inventories of the specified canned food items with measurable reliability. These stocks will be measured in terms of actual cases with separate data requested for "all sizes smaller than No. 10" and for "sizes No. 10 or larger". (In addition, multiunit firms reporting separately by establishment will be requested to update the list of their establishments maintaining canned food stocks.)

Report forms will be furnished to firms covered by the survey. Additional copies of the forms are available on request to the Director, Bureau of the Census, Washington, D.C. 20233.

I have, therefore, directed that this annual survey be conducted for the purpose of collecting these data.

Dated: October 30, 1974.

VINCENT P. BARABBA,
Director,
Bureau of the Census.

[FR Doc.74-25697 Filed 11-4-74; 8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

UNIFORM EFFECTIVE DATE FOR NEW FOOD LABELING REGULATIONS

Notice to Manufacturers, Packers, and Distributors Concerning Requests for Temporary Extensions

Correction

In FR Doc. 74-23665 appearing at page 36501 in the issue for Thursday, October 10, 1974, make the following change. On page 36502, in the first column, paragraph II. b., first line, the word "Commission" should read "Commissioner".

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[FRA Waiver Petition No. HS-74-10]

EAST JERSEY RAILROAD AND TERMINAL CO.

Petition for Exemption from Hours of Service Act

The East Jersey Railroad and Terminal Company of Bayonne, New Jersey, has petitioned the Federal Railroad Administration pursuant to 45 U.S.C. 64a(e) for an exemption, with respect to certain employees, from the Hours of Service Act, 45 U.S.C. Secs. 61, 62, 63, and 64.

Interested persons are invited to participate in this proceeding by submitting written data, views, or comments. Communications should be submitted in

triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Attention: FRA Waiver Petition No. HS-74-10, Room 5101, 400 Seventh Street SW, Washington, D.C. 20590. Communications received before December 1, 1974, will be considered before final action is taken on this petition. All comments received will be available for examination by interested persons during business hours in Room 5101, Nassif Building, 400 Seventh Street SW, Washington, D.C. 20590.

Issued in Washington, D.C. on October 31, 1974.

DONALD W. BENNETT,
Chief Counsel,
Federal Railroad Administration.

[FR Doc.74-25745 Filed 11-4-74;8:45 am]

[FRA Waiver Petition No. HS-74-8]

MANUFACTURERS' JUNCTION RAILWAY CO.

Petition for Exemption from Hours of Service Act

The Manufacturers' Junction Railway Company of Cicero, Ill., has petitioned the Federal Railroad Administration pursuant to 45 U.S.C. 64a(e) for an exemption, with respect to certain employees, from the Hours of Service Act, 45 U.S.C. Secs. 61, 62, 63 and 64.

Interested persons are invited to participate in this proceeding by submitting written data, views, or comments. Communications should be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Attention: FRA Waiver Petition No. HS-74-8, Room 5101, 400 Seventh Street SW, Washington, D.C. 20590. Communications received before December 1, 1974, will be considered before final action is taken on this petition. All comments received will be available for examination by interested persons during business hours in Room 5101, Nassif Building, 400 Seventh Street SW, Washington, D.C. 20590.

Issued in Washington, D.C. on October 31, 1974.

DONALD W. BENNETT,
Chief Counsel,
Federal Railroad Administration.

[FR Doc.74-25747 Filed 11-4-74;8:45 am]

[FRA Waiver Petition No. HS-74-9]

VERMONT RAILWAY INC.

Petition for Exemption From Hours of Service Act

The Vermont Railway Inc., has petitioned the Federal Railroad Administration pursuant to 45 U.S.C. 64a(e) for an exemption, with respect to certain employees, from the Hours of Service Act, 45 U.S.C. Secs. 61, 62, 63 and 64.

Interested persons are invited to participate in this proceeding by submitting written data, views, or comments. Communications should be submitted in triplicate to the Docket Clerk, Office of

Chief Counsel, Federal Railroad Administration, Attention: FRA Waiver Petition No. HS-74-9, Room 5101, 400 Seventh Street SW, Washington, D.C. 20590. Communications received before December 1, 1974, will be considered before final action is taken on this petition. All comments received will be available for examination by interested persons during business hours in Room 5101, Nassif Building, 400 Seventh Street SW, Washington, D.C. 20590.

Issued in Washington, D.C. on October 31, 1974.

DONALD W. BENNETT,
Chief Counsel,
Federal Railroad Administration.

[FR Doc.74-25746 Filed 11-4-74;8:45 am]

ACTION

FOSTER GRANDPARENT AND SENIOR COMPANION PROGRAMS

Income Eligibility Level

The notice revises the income eligibility levels for single individuals and couples for the Foster Grandparent Program and the Senior Companion Program published in the FEDERAL REGISTER on July 8, 1974 (39 FR 24942). Based on figures as of July 1, 1974, obtained from the Social Security Administration, these amounts include State supplements to the Federal Supplemental Security Income (SSI) Program.

These ACTION programs are authorized pursuant to section 211 of the Domestic Volunteer Service Act of 1973, Pub. L. 93-113, 87 Stat. 402. Pursuant to section 421(4) of Pub. L. 93-113, 87 Stat. 414, the income eligibility levels are determined by the currently applicable guideline published by the Office of Economic Opportunity, pursuant to section 625 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2971 (a)) as increased by the amount individual states supplement the SSI Program. These state supplemental payments reflect the higher cost of living in the geographic area to be served by the project. Similar lists will be prepared at least once a year to change the applicable levels. However, to remain current, a State's eligibility level may be increased before the next list is published to reflect an increase in its supplement or to include a supplement not presently available. Pursuant to section 420 of Pub. L. 93-113, this policy will be effective on December 4, 1974.

Schedule of income eligibility levels for foster grandparent and senior companion programs

State	Individuals	Couples
Alabama.....	\$2,330	\$3,202
Alaska.....	3,578	4,642
Arizona.....	2,330	3,070
Arkansas.....	2,330	3,070
California.....	3,308	5,722
Colorado.....	2,558	4,402
Connecticut.....	3,434	3,874
Delaware.....	2,330	3,070
District of Columbia.....	2,330	3,070
Florida.....	2,330	3,070
Georgia.....	2,330	3,070
Hawaii.....	2,064	3,562

State	Individuals	Couples
Idaho.....	2,978	3,430
Illinois.....	2,678	3,070
Indiana.....	2,330	3,070
Iowa.....	2,330	3,070
Kansas.....	2,330	3,070
Kentucky.....	2,330	3,070
Louisiana.....	2,330	3,070
Maine.....	2,450	3,250
Maryland.....	2,330	3,070
Massachusetts.....	3,806	5,362
Michigan.....	2,498	3,322
Minnesota.....	2,714	3,538
Mississippi.....	2,330	3,070
Missouri.....	2,330	3,070
Montana.....	2,330	3,070
Nebraska.....	3,134	3,910
Nevada.....	2,798	4,018
New Hampshire.....	2,618	3,262
New Jersey.....	2,762	3,442
New Mexico.....	2,330	3,070
New York.....	3,062	3,982
North Carolina.....	2,330	3,070
North Dakota.....	2,330	3,070
Ohio.....	2,330	3,070
Oklahoma.....	2,510	3,430
Oregon.....	2,534	3,274
Pennsylvania.....	2,570	3,430
Rhode Island.....	2,774	3,886
South Carolina.....	2,330	3,070
South Dakota.....	2,330	3,070
Tennessee.....	2,330	3,070
Texas.....	2,330	3,070
Utah.....	2,530	3,070
Vermont: 1		
Area 1.....	2,678	3,562
Area 2.....	2,918	3,802
Virginia.....	2,330	3,070
Washington:		
King, Pierce, Snohomish.....	2,690	3,466
All other counties.....	2,522	3,142
West Virginia.....	2,330	3,070
Wisconsin.....	3,170	4,390
Wyoming.....	2,330	3,070
Puerto Rico.....	2,330	3,070

1 After completion of a statewide rent survey by the State of Vermont, it will identify for the Social Security Administration the towns in areas 1 and 2.

MICHAEL P. BALZANO, JR.,
Director, ACTION.

[FR Doc.74-25601 Filed 11-4-74;8:45 am]

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

COMMITTEE ON JUDICIAL REVIEW

Notice of Meeting

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given of a meeting of the Committee on Judicial Review of the Administrative Conference of the United States, to be held at 9:30 a.m., December 12, 1974 in the office of William H. Allen, Covington and Burling, 888 16th Street, NW, Washington, D.C. 20006.

The Committee will meet to consider a study done for the Committee by Professor Stephen F. Williams of the University of Colorado School of Law on "Judicial Compulsion of Procedures Not Required by Section 553 in 'Notice-and-Comment' Rulemaking."

Attendance is open to the interested public, but limited to the space available. Persons wishing to attend should notify this office at least one day in advance. The Committee Chairman may, if he deems it appropriate, permit members of the public to present oral statements at the meeting; any member of the public may file a written statement with the Committee before, during or after the meeting.

For further information concerning this Committee meeting contact Lynda

S. Zengerle, (202-254-7065). Minutes of the meeting will be available on request.

RICHARD K. BERG,
Executive Secretary.

OCTOBER 29, 1974.

[FR Doc.74-25729 Filed 11-4-74;8:45 am]

COMMITTEE ON RULEMAKING AND PUBLIC INFORMATION

Notice of Meeting

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given of a meeting of the Committee on Rulemaking and Public Information of the Administrative Conference of the United States, to be held at 10 a.m. on November 8, 1974, in the Office of the Administrative Conference of the United States, 2120 L Street, NW., Suite 500, Washington, D.C. 20037.

The Committee will meet to consider a draft statement of principles with respect to the Protection of Privacy in the Obtaining, Use, Retention and Transfer of Personal Information by the Government.

Attendance is open to the interested public, but limited to the space available. Persons wishing to attend should notify this office at least one day in advance. The Committee Chairman may, if he deems it appropriate, permit members of the public to present oral statements at the meeting; any member of the public may file a written statement with the Committee before, during or after the meeting.

For further information concerning this Committee meeting contact Margaret Gilhooly, Staff Liaison, (Phone: 202-254-7065). Minutes of the meeting will be available on request. The meeting was scheduled at this time, even though the usual advance notice could not be given, because of the need to forward the Statement, if approved, promptly to the Council of the Conference for consideration at its November meeting.

RICHARD K. BERG,
Executive Secretary.

NOVEMBER 1, 1974.

[FR Doc.74-25867 Filed 11-4-74;8:45 am]

ATOMIC ENERGY COMMISSION

[Docket Nos. 50-498A, 50-499A]

HOUSTON LIGHTING AND POWER CO.

Receipt of Attorney General's Advice and Filing Time for Petitions To Intervene on Antitrust Matters

The Commission has received, pursuant to section 105c, of the Atomic Energy Act of 1954, as amended, a letter of advice from the Attorney General of the United States, dated October 22, 1974, a copy of which is attached as Appendix A below.

Any person whose interest may be affected by this proceeding may, pursuant to § 2.714 of the Commission's rules of practice, 10 CFR Part 2, file a petition for leave to intervene and request a hear-

ing on the antitrust aspects of the application. Petitions for leave to intervene and requests for hearing shall be filed by December 5, 1974, either (1) by delivery to the AEC Public Docketing and Service Section at 1717 H Street, NW., Washington, D.C., or (2) by mail or telegram addressed to the Secretary, U.S. Atomic Energy Commission, Washington, D.C., 20545, Attn: Docketing and Services Section.

For the Atomic Energy Commission.

ABRAHAM BRAITMAN, Chief,
Office of Antitrust & Indemnity,
Directorate of Licensing.

APPENDIX A

OCTOBER 22, 1974.

Houston Lighting and Power Company, South Texas Project, Units 1 and 2, AEC Docket Nos. 50-498A and 50-499A.

You have requested our advice pursuant to the provisions of section 105 of the Atomic Energy Act of 1954, as amended, in regard to the above-captioned application.

The South Texas Project, Applicant, Houston Lighting and Power Company (HL&P), has applied for a construction permit to construct a nuclear power plant known as the South Texas Project which will contain two nuclear units. HL&P is making this application for itself and as the project manager in behalf of the City of San Antonio, Central Power and Light Company (Central) and the City of Austin. Each of these four entities will own undivided interests as tenants in common in the South Texas Project. HL&P will own 30.8 percent, San Antonio 28.0 percent, Central 25.2 percent and Austin 16.0 percent. HL&P will act as project manager in the design, construction and operation of the project. The facility is to be located in Matagorda County, Texas, 15 miles southwest of Bay City. Each unit will include a 1,250 MW electric generating unit. Unit 1 is scheduled for operation in October, 1980, with Unit 2 to follow in October, 1982. HL&P, San Antonio, Central and Austin are each engaged in the production, transmission, distribution and sale of electric energy for lighting, heating, cooling and power purposes to residential, commercial and industrial customers in the southern portion of the State of Texas.

Description of participants. HL&P is an investor-owned utility which serves a 5,600 square mile area involving the city of Houston and its surrounding area. HL&P provides electric service at retail in 151 communities and serves 684,363 customers. HL&P provides wholesale power to the southeast division of the Community Public Service Company which in turn distributes this energy at retail in 11 cities and towns. HL&P also provides a small portion of the bulk power requirements of the Lorton Electric Cooperative. As of 1972, HL&P served approximately 2 percent of the geographic area of Texas and approximately 19 percent of the state's population. It furnished about 22 percent of the electricity consumed in the state. As of December 31, 1972, HL&P had net generating capability of 8,458 MW. Its peak load for 1973 was 6,708 MW. Operating revenues for the year 1973 were \$409,080,000. It is estimated that by 1983 the total net capability of HL&P's system will be 16,623 MW.

The City of San Antonio owns and operates the San Antonio public utility electric system through a municipal board, the City Public Service Board of San Antonio. The City Public Service Board has full authority for the management and operation of the electric system which serves the City of San Antonio and the surrounding area encom-

passing 1,566 square miles. San Antonio provides electric service at retail to 38 communities and serves 268,815 customers. It also provides wholesale power to the municipally owned distribution systems of Floresville, Castroville, and Hondo, Texas. Its peak load for 1973 was 1,415 MW. As of January 31, 1974, San Antonio had a net generating capability of 2,148 MW. Operating revenues for the year ending January 31, 1974, were \$87,467,108. It is estimated that by 1983 the total net capability of San Antonio's system will be 5,428 MW.

Central is a wholly owned subsidiary of a holding company, Central and South West Corporation. Central provides electric service at retail in 212 communities and serves 341,840 customers in a 44,188 square mile area located in the southern part of Texas. Central provides wholesale power to 6 distribution cooperatives and 1 generation and transmission cooperative. As of December 31, 1973, Central served approximately 16 percent of the geographic area of Texas. As of that date, Central had a net generating capability of 2,345 MW. Its peak load for 1973 was 1,883 MW. Revenues for the year were \$161,301,000. It is estimated that by 1983 the total net capability of Central's system will be 4,776 MW.

The City of Austin owns and operates its own public utility electric system. It serves the city itself and the surrounding area encompassing 415 square miles. Austin provides electric service at retail in 9 communities and serves 107,301 customers. It has no wholesale customers. As of December 31, 1973, Austin had a net generating capability of 810 MW. Its peak load for 1973 was 632 MW. Revenues for the year ending September 30, 1973, were \$40,438,731. It is estimated that by 1983 the total net capability of the Austin system will be 3,040 MW.

Interconnection and coordination with others. None of the applying joint owners is a member of any power pool. All, however, are members of the Texas Interconnected System (TIS). TIS is a group of nine interconnected electric systems that operate throughout the State of Texas. TIS is comprised of 6 investor-owned and 3 publicly owned electric systems. The members of TIS have an oral understanding with regard to the minimum installed reserves and spinning reserves that each member will maintain. The members of TIS also conduct various studies relating to the need for, and effects of, any future transmission and generation changes planned by the members. Thus, membership in TIS allows each member system to obtain various benefits from such coordination that are not available to non-members.

The members of TIS have in operation, under construction or in planning a number of 345 KV transmission lines which will form various loops among the member systems to substantially improve the system reliability of each member. These interconnections may also allow power interchanges to improve the operating economy of the members.

The joint owners as well as the other members of TIS operate wholly within the State of Texas. They are not subject to regulation by the Federal Power Commission. Neither is there any state regulatory body in Texas having jurisdiction over the rates of electric utilities.

In the past, membership in TIS was not available to all of the electric utility systems in Texas, even where the non-member system was of sufficient size to make a contribution to the reliability of the bulk power supply of the members. This situation has recently changed and membership in TIS is now being made available to other systems.

Results of antitrust review. In connection with an application by HL&P involving Al-

len's Creek Nuclear Generating Station, Units 1 and 2, the Department advised the Commission on May 7, 1974, that no antitrust hearing was warranted. A factor considered by the Department in reaching its no hearing advice was the evidence that HL&P would be facilitating the availability of nuclear power to other entities by participating in the joint ownership of future units. Such is the situation with regard to this application. The joint owners represent both the private and public sectors of the electric power industry. This is the type of cooperation which the absence of competition restraints makes possible and which should be encouraged in the interest of making low cost nuclear power widely available and increasing the reliability and economy of electric service. Although the joint owners of the instant project are all members of TIS, the Department has uncovered no evidence that participation by non-TIS members in the project is being prohibited.

Conclusion. In view of the above, the Department concludes that an antitrust hearing will not be necessary with respect to the instant application.

[FR Doc. 74-25598 Filed 11-4-74; 8:45 am]

[Dockets Nos. STN 50-528 through 50-530]

ARIZONA PUBLIC SERVICE CO. ET AL.

Notice of Receipt of Application for Construction Permits and Facility Licenses and Availability of Applicants' Environmental Report; Time for Submission of Views on Antitrust Matters

Arizona Public Service Company on behalf of itself and five joint applicants—the Salt River Project Agricultural Improvement and Power District, Tucson Gas & Electric Company, El Paso Electric Company, Public Service Company of New Mexico, and Arizona Electric Power Cooperative, Inc., (the applicants), pursuant to section 103 of the Atomic Energy Act of 1954, as amended, have filed an application, which was docketed on October 7, 1974, for authorization to construct and operate three generating units utilizing three pressurized water nuclear reactors. The application was tendered on July 11, 1974. Following a preliminary review for completeness, the Environmental Report, the general and financial, and antitrust information were found to be acceptable for docketing. However, the Preliminary Safety Analysis Report was rejected on August 29, 1974, for lack of sufficient information. The applicant submitted additional information on September 30, 1974, and the Preliminary Safety Analysis Report was found to be acceptable for docketing. Docket Nos. STN 50-528, STN 50-529, and STN 50-530, have been assigned to the application, and they should be referenced in any correspondence relating to the application.

The proposed nuclear facility, designated by the applicants as the Palo Verde Nuclear Generating Station, Units 1, 2, and 3, is located in Maricopa County, Arizona, about 15 miles west of Buckeye and 36 miles west of Phoenix. Each of the units is designed for initial operation at 3,800 megawatts (thermal), with a net electrical output of 1,307 megawatts.

A Notice of Hearing with opportunity for public participation is being published separately.

Any person who wishes to have his views on the antitrust matters of the application presented to the Attorney General for consideration should submit such views to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Chief, Office of Antitrust and Indemnity, Directorate of Licensing, on or before December 23, 1974. The request should be filed in connection with Docket Nos. STN 50-528-A, STN 50-529-A, and STN 50-530-A.

A copy of the application is available for public inspection at the Commission's Public Document Room, 1717 H Street, NW, Washington, D.C. 20545, and at the Phoenix Public Library, 12 East McDowell Road, Phoenix, Arizona 85004.

The applicants have also filed, pursuant to the National Environmental Policy Act of 1969 and the regulations of the Commission in 10 CFR Part 51, an environmental report dated October 2, 1974. The report, which discusses environmental considerations related to the construction and operation of the proposed facilities, is being made available for public inspection at the aforementioned locations and at the Department of Economic Planning and Development, State of Arizona, Phoenix, Arizona 85007, and at the Maricopa Association of Governments, 300 N. Central Avenue, Phoenix, Arizona 85012.

After the environmental report has been analyzed by the Commission's Director of Regulation or his designee, a draft environmental statement will be prepared by the Commission's Regulatory staff. Upon preparation of the draft environmental statement, the Commission will, among other things, cause to be published in the FEDERAL REGISTER a summary notice of availability of the draft statement, with a request for comments from interested persons on the draft statement. The summary notice will also contain a statement to the effect that comments of Federal agencies and State and local officials will be made available when received. Upon consideration of comments submitted with respect to the draft environmental statement, the Regulatory staff will prepare a final environmental statement, the availability of which will be published in the FEDERAL REGISTER.

Dated at Bethesda, Maryland, this 8th day of October 1974.

For the Atomic Energy Commission.

RALPH A. BIRKEL,
Acting Chief, Light Water Reactor Project Branch 1-3, Directorate of Licensing.

[FR Doc. 74-24442 Filed 10-21-74; 8:45 am]

[Docket Nos. 50-452; 50-453]

DETROIT EDISON CO.

Oral Argument

In the matter of The Detroit Edison Co. (Greenwood Energy Center, Units 2 and 3).

Notice is hereby given that, in accordance with the Atomic Safety and Licensing Appeal Board's Order dated October 25, 1974, oral argument on the Licensing Board's ruling respecting its jurisdiction (1) to consider the environmental effects of off-site transmission lines associated with a nuclear power plant; and (2) to impose conditions concerning the routing, design, and construction of such lines, will be heard on Friday, November 22, 1974, at 10 a.m. in the Appeal Panel Hearing Room, 5th floor, East West Towers Building, 4350 East-West Highway, Bethesda, Maryland.

For the Atomic Safety and Licensing Appeal Board.

Dated: October 30, 1974.

ROMAYNE M. SKRUTSKI,
Secretary to the Appeal Board.

[FR Doc. 74-25786 Filed 11-4-74; 8:45 am]

[Docket Nos. 50-452; 50-453]

DETROIT EDISON CO.

Prehearing Conference

In the matter of The Detroit Edison Co. (Greenwood Energy Center Units 2 and 3).

In a conference call on October 3, 1974, among the Parties to this proceeding, The Detroit Edison Company (Applicant), advised that it was withdrawing its application for a Limited Work Authorization and was requesting a postponement of the evidentiary hearing which had been tentatively scheduled to start on November 6, 1974.

It was mutually agreed by the Parties that the evidentiary hearing on environmental matters would be scheduled for Tuesday, January 14, 1975. The Board informed the Parties that the hearing would begin in Port Huron, Michigan, in order to accommodate those members of the public who desired to make limited appearances. In a subsequent Order the Board will furnish further information concerning the arrangements for the hearing.

It was also mutually agreed by the Parties that a Prehearing Conference should be scheduled in December for the purpose of making the final arrangements for the hearing. Pursuant to the above agreement a Prehearing Conference will be held on Thursday, December 12, 1974, at 10 a.m., local time, at the following location:

Courtroom 859
U.S. Courthouse
231 Lafayette St.
Detroit, Michigan 48226

Persons and organizations wishing to make limited appearance statements, orally or in writing, may do so at the time of the evidentiary hearing, but limited appearances will not be received at the Prehearing Conference. However, all members of public, including anticipated limited appearance speakers, are welcome to attend the Prehearing Conference.

The Prehearing Conference will, in accordance with 10 CFR § 2.752, cover the following matters:

1. The obtaining of stipulations and admissions of fact and of the contents and authenticity of documents to avoid unnecessary proof;

2. Identification of witnesses and the limitation of the number of expert witnesses, and other steps to expedite the presentation of evidence;

3. The final arrangements for the conduct of the evidentiary hearing on environment matters;

4. Such other matters as may aid in the orderly disposition of the proceeding.

It is so ordered.

Dated at: Bethesda, Md., this 31st day of October 1974.

FOR THE ATOMIC SAFETY AND
LICENSING BOARD.

JAMES R. YORE,
Chairman.

[FR Doc.74-25784 Filed 11-4-74; 8:45 am]

[Docket No. 50-268]

GENERAL ELECTRIC CO.

Intent to Issue Order Authorizing Dismantling of Facility to Render Inoperable

By application notarized September 17, 1974, General Electric Company requested authorization to render the Midwest Fuel Recovery Plant inoperable in accordance with a plan therein submitted to the Commission and, in addition, requested termination of Facility License for Possession Only No. CSF-2.

The Midwest Fuel Recovery Plant has never been licensed to operate as a reprocessing plant. On August 23, 1974, the Commission issued Facility License for Possession Only No. CSF-2 and, thereafter, published in the FEDERAL REGISTER Notice of Issuance of Facility License for Possession Only No. CSF-2 on September 6, 1974 (39 FR 32345). This license provided for the termination of the provisional construction permit and authorized continuation of Special Nuclear Materials License Nos. SNM-1265 and SNM-1281 to the extent that General Electric could continue to (1) possess and store natural and depleted uranium presently at the facility; (2) receive, possess and store irradiated nuclear fuel elements; and (3) possess and use certain radioactive materials needed for instrument calibration and laboratory standards.

In accordance with the stipulation embodied in Facility License for Possession Only No. CSF-2, Part E, the plan to dismantle the Midwest Fuel Recovery Plant to render the plant inoperable has been approved by the Commission. The approved plan to dismantle rendering the plant inoperable includes (1) welding a quarter-inch thick stainless steel plate over the hatch at the transfer station in the Mechanical Cell; (2) welding an H-beam block to limit movement of the transfer arm used to transfer fuel from the basin to the Mechanical Cell; and (3) partially disassembling the hydraulic system used to move the transfer arm by draining the hydraulic fluid from the cylinders, disconnecting the cylinders from the transfer arm and capping the lines.

The Commission has reviewed the application in accordance with the provisions in 10 CFR Chapter I of the Commission's regulations and has found that the dismantling plan for rendering the facility inoperable is in accordance with requirements of the license for possession only, can be implemented safely, provides no new potential for exposure to radiation, will not be inimical to the common defense and security or to the health and safety of the public, and involves no significant hazards consideration. The basis for the findings is set forth in the Safety Evaluation by the Regulatory Staff which is being issued concurrently with this notice.

Accordingly, an appropriate Order will be issued after November 15, 1974 authorizing General Electric to implement the dismantling plan rendering the Midwest Fuel Recovery Plant inoperable as a fuel reprocessing facility. The Commission will, thereafter, consider the termination of Facility License for Possession Only, No. CSF-2, when General Electric has completed implementation of the dismantling plan rendering the plant inoperable and following appropriate inspection by the Commission.

The Safety Evaluation Report is available for public inspection at the Commission's Public Document Room at 1717 H Street NW, Washington, D.C. and at the Morris Public Library, 604 Liberty Street, Morris, Illinois, or upon request addressed to the United States Atomic Energy Commission, Washington, D.C. 20545, Attention: Deputy Director for Fuels and Materials, Directorate of Licensing—Regulation.

For the Atomic Energy Commission.

Dated: October 30, 1974.

RICHARD E. CUNNINGHAM,
Assistant Director for Fuel Cycle,
Directorate of Licensing.

[FR Doc.74-25785 Filed 11-4-74; 8:45 am]

[Docket No. 50-245]

NORTHEAST NUCLEAR ENERGY CO.

Issuance of Amendment to Provisional Operating License

Notice is hereby given that the U.S. Atomic Energy Commission (the Commission) has issued Amendment No. 3 to Provisional Operating License No. DPR-21 issued to Connecticut Light and Power Company, The Hartford Electric Light Company, Western Massachusetts Electric Company and Northeast Nuclear Energy Company which revised Technical Specifications for operation of the Millstone Nuclear Power Station, Unit No. 1, located in Waterford, Connecticut. The amendment is effective as of its date of issuance.

The amendment establishes the maximum number of fuel assemblies as a design feature of the reactor core without reference to the composition of each fuel assembly in regard to the fuel rod array.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

For further details with respect to this action, see (1) the application for amendment dated October 24, 1974, (2) Amendment No. 3 to License No. DPR-21, with Change No. 18, and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, NW, Washington, D.C. and at the Waterford Public Library, Rope Ferry Road, Route 156, Waterford, Connecticut 06385.

A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Deputy Director for Reactor Projects, Directorate of Licensing—Regulation.

Dated at Bethesda, Md., this 24th day of October, 1974.

FOR THE ATOMIC ENERGY COMMISSION.

GEORGE LEAR,
Chief, Operating Reactors
Branch No. 3, Directorate of
Licensing.

[FR Doc.74-25790 Filed 11-4-74; 8:45 am]

[Docket No. 50-263]

NORTHERN STATES POWER CO.

Order Postponing Starting Date of Evidentiary Hearing

In the matter of Northern States Power Co. (Monticello Nuclear Generating Plant).

Following receipt of a telephonic communication today from counsel for the AEC Regulatory Staff respecting a change in circumstances involving the scheduling of witnesses of both the Staff and Minnesota Pollution Control Agency, advising a change in the date¹ from November 6, to November 12, 1974, for the convening of the hearing in the above-identified proceeding, and being advised by Staff counsel that attorneys for the other parties have no objection, the Board has granted the postponement requested.

Wherefore, *it is ordered*, In accordance with the Atomic Energy Act, as amended, and the Rules of Practice of the Commission, the evidentiary hearing is postponed from November 6, 1974, and in lieu thereof shall convene at 10 a.m., local time on Tuesday, November 12, 1974, in Courtroom No. 4, United States Federal Courthouse, 316 North Roberts Street, St. Paul, Minn. 55101.

FOR THE ATOMIC SAFETY AND LICENSING BOARD.

¹ In the Matter of Northern States Power Co. (Monticello Nuclear Generating Plant, Unit 1) Board's "Notice and Order Convening Evidentiary Hearing" published October 10, 1974 (39 FR 36503).

Issued at Bethesda, Md., this 30th day of October, 1974.

R. M. LAZO, *Chairman.*

[FR Doc.74-25783 Filed 11-4-74; 8:45 am]

[License No. 05-13943-01E]

STATITROL CORP.

Issuance of Amendment of Byproduct Material License

Please take notice that the Atomic Energy Commission has, pursuant to § 32.26 of 10 CFR Part 32, issued Amendment No. 10 to License No. 05-13943-01E to Statitrol Corporation, 140 South Union Boulevard, Lakewood, Colo. 80228, which authorizes the distribution of Models 102-060, 104-060, 104-061, 108-750, 108-751, 108-752, 108-753, 108-754, 108-755, 108-756, 108-760, 108-761, 108-762, 108-763, 108-780, 108-781, and 731 ionization fire detectors to persons exempt from the requirements for a license pursuant to § 30.20 of 10 CFR Part 30.

1. The devices are designed to detect incipient fires by responding to the products of combustion produced by thermal decomposition of building materials or contents prior to the appearance of visible smoke, flame, or appreciable heat. Then sensitive element of the detector is an ionization chamber in which air flowing into the chamber is made conductive by alpha particles emitted by americium 241.

2. The byproduct material incorporated in the detector is americium in the oxide form contained in foils manufactured by Nuclear Radiation Developments (Model A-001) or by the Radiochemical Centre (Model AMM). The nominal activity contained in the unit is 1.0 microcurie but the maximum activity is 1.3 microcuries.

3. Each exempt unit will have a label identifying the manufacturer (Statitrol Corporation) and the byproduct material (americium 241) contained in the unit and recommending that the unit be returned to the Statitrol Corporation for repair or disposal.

A copy of the amended license and license application containing additional information, prepared by the Directorate of Licensing, are available for public inspection at the Commission's Public Document Room at 1717 H Street NW., Washington, D.C.

Dated at Bethesda, Md., October 24, 1974.

For the Atomic Energy Commission.

BERNARD SINGER,
*Chief, Materials Branch,
Directorate of Licensing.*

[FR Doc.74-25789 Filed 11-4-74; 8:45 am]

CIVIL AERONAUTICS BOARD

[Docket No. 26494; Agreement C.A.B. 24748;

Order No. 74-10-151]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Regarding North Atlantic Passenger Fares

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 30th day of October 1974.

By Order 74-10-106, October 21, 1974, the Board approved an agreement among the carrier members of the International Air Transport Association (IATA), which was intended to establish North and Mid-Atlantic passenger fares for scheduled services from November 1, 1974 through March 31, 1976. The agreed fare structure (Montreux fares) was much the same as the present structure, which expires on October 31, 1974, but reflected increases in the various categories of fares ranging from about 4 to 19 percent as well as introduction of a new advance-purchase excursion fare (APEX). In approving the IATA carriers' agreement, the Board gave first priority to the carriers' urgent need for the increased revenues the Montreux fares would provide, but expressed its regret that more fundamental changes in fare structure had not been made.

Subsequently, the Board was notified that several carrier parties to the agreement had withdrawn, thus voiding the agreement. A series of carrier meetings were then held in Geneva during the week of October 21, 1974, to consider the fares to be charged beginning November 1st. As noted, the present IATA agreement expires on October 31st, and the carriers' tariffs filed with the Board are similarly marked to expire. Immediate action was therefore required to establish transatlantic passenger fares for the ensuing winter period.

On October 29, 1974, a special IATA resolution was filed with the Board dealing with these fares for the three-month period from November 1, 1974 through January 31, 1975. In essence, this special resolution readopts the Montreux fares for this period with certain modifications. The APEX fare would be dropped from the agreement although passengers ticketed by October 29, 1974 would be carried at the APEX fare. The 22-45 day excursion and group-affinity fares applicable in the winter season would be proportionally reduced on the basis of the \$22 New York-London round-trip fare formula. Finally, the agreed proportional fare used for constructing through 22-45 day excursion fares between Miami and points in Europe would be reduced by \$10.¹

It is obvious that the question of fares to be charged for North and Mid-Atlantic services beginning November 1 must be resolved immediately. The interests of the traveling public are ill-served by further protracting the uncertainties which have prevailed during the last six months or so while these fares have been under negotiation among the carriers. In these circumstances, and in view of the limited changes now proposed in the Montreux fare agreement we have only just reviewed, the Board concludes it is necessary and appropriate to deal now with the special resolution without going through the usual procedure of eliciting comments.

¹ Bulk Affinity and Incentive Group prices between the United States and Spain/Portugal would remain at the winter 1973-74 levels adjusted for fuel increases.

On the basis of data provided by the U.S. carriers and our own analyses, the Board found in Order 74-10-106 that the Montreux fares would produce greater revenues than the present fare structure, and a modest operating profit in 1975 in contrast to current losses. The modified agreement now before us, however, deals only with the next three traditionally low traffic months which are not typical of an entire year, and it would therefore be inappropriate to analyze these fare proposals on an annual basis. As modified, each of the proposed fares would be higher than the comparable fares charged during the same three-month period a year ago. (See Attachment).² The normal economy, 14-21 day excursion, and GIT fares would range from 8-10 percent higher. The 22-45 day excursion and group-affinity fares would be 11-12 percent higher than last year's fares. The popular winter GIT fare would be increased by 7.9 percent.³ Even taking account of some possible loss of traffic due to the fare increases, we must conclude that the proposed fares would produce more revenue and better financial results than would last year's fares, as both Pan American and TWA contend.⁴ In any event, the increases are fully justified by the higher level of operating costs now prevailing. By the same token, there is no possibility that the carriers could achieve excessive profits during this period from operations at these fares.

In view of the accelerated action required of the Board in this instance, we have reviewed the substance of the comments and objections filed with respect to the Montreux fare agreement. It does not appear that the modifications now proposed would heighten the objections earlier filed. Some of those comments went to the APEX fare, its administrative complexity, and its alleged potential impact on charter services. The APEX fare is not part of the modified fare structure, except for the carriage of persons already ticketed, and should therefore have little, if any, impact on transatlantic charter or scheduled services in the limited term of this agreement. Other comments objected to relatively large increases in the 22-45 day excursion fare and to the absence of a youth fare between the U.S. and Europe. The proposed modifications of the Montreux fare agreement result in an increase in the 22-45 day excursion fare quite closely in line with the increases in

² For purposes of comparison, the fares applicable last winter have been increased by the subsequently approved fuel surcharges.

³ To the extent that a limited amount of APEX travel has been sold, the fares would approximate last year's 22-45 day excursion fares. For example, the New York-London APEX fare would be \$313 as compared with the \$317 22-45 day excursion fare applicable last winter.

⁴ Pan American estimates that, for the 3 months the revised agreement will be effective, revenues will increase by \$4.1 million compared with present fares, while the original agreement would have increased revenues by \$4.8 million during this period. TWA estimates increased revenues of \$3.5 million from the revised agreement as compared with retaining present fares during the period.

other fares.⁶ The Board's views and findings with respect to the unlawfulness of youth fares have been fully stated elsewhere and will not be repeated here. With reference to the suggestions advanced by the Department of Transportation that approval of the Montreux fare agreement be conditioned to require increased stop-over charges, the modified agreement reflects no change and our earlier views of this matter still obtain.

Accordingly, the Board will approve the special resolution modifying the Montreux fare agreement we approved on October 21, 1974. The carriers require the revenue increase which will be provided by the new fares. The only realistic alternative is maintenance of the status quo, which would produce less revenue than the proposed fares.⁶ While carriers could in theory file other fares on a unilateral basis if the instant resolution is not approved and an open-rate situation prevails, the events of early 1973, in a similar situation, lead us to believe such filings are unlikely to become effective. This would only result in withholding urgently needed revenues from the carriers and a chaotic situation of tariff filings and counter-filings. It is now past time to lay to rest uncertainties as to the fares to be charged for transatlantic services during the next three months. In approving the modified fare agreement, we do not depart from our earlier expressed views concerning the current fare structure, or abandon our objectives with respect to its reformation. Our acquiescence in the maintenance of a fare structure which is, for practical purposes, unchanged is based on the exigencies of the current situation and the fact that a period of only three months is involved. In their negotiations for fares after February 1, 1975, the Board expects the carriers to consider more carefully the principles set forth in our June 1974 policy statement.

The Board, acting pursuant to sections 102, 204(a), 404(b), 412, and 1002 of the Act does not find that Agreement C.A.B. 24748 is adverse to the public interest or in violation of the Act.

⁶ Indeed we regret this result as inconsistent with the kind of basic restructuring that must eventually be accomplished.

⁶ In comments filed in support of the Agreement, the Department of Transportation states that Board approval would be far more beneficial to our carriers than a continuation of the present fares or the instability resulting from open rates. The National Air Carrier Association opposes the affinity-group prices to Portugal/Spain and requests their disapproval. While we are approving these fares as part of the total package for the three months here involved, the Board finds no basis for the disparity between these and affinity fares to other points in Europe and is not prepared to approve a continuation of this circumstance beyond January 31, 1975.

Accordingly, it is ordered, That:
1. Agreement C.A.B. 24748 be and hereby is approved; and

2. Tariffs implementing Agreement C.A.B. 24748 shall be marked to expire on January 31, 1975.

This order will be published in the **FEDERAL REGISTER**.

By the Civil Aeronautics Board.⁷

[SEAL] EDWIN Z. HOLLAND,
Secretary.

NEW YORK-LONDON ROUND-TRIP FARES¹

	Present ²	Proposed ²	Percent change
First class.....	\$1,084	\$1,156	6.6
Economy.....	538	584	8.4
14/21 day excursion.....	472	500	7.8
22/45 day excursion.....	317	352	11.0
Affinity group.....	285	318	11.6
Group inclusive tour.....	334	366	9.6
Winter group inclusive tour.....	305	329	7.9

¹ Includes six percent devaluation-related surcharges on U.S.-originating dollar fares.

² Applicable during 1973-74 winter season plus subsequently adopted fuel surcharges.

³ For the period November 1, 1974 through January 31, 1975.

[FR Doc. 74-25802 Filed 11-4-74; 8:45 am]

FEDERAL ENERGY ADMINISTRATION

Notice of Meeting

Notice is hereby given that a briefing will be made by the above Administration on November 19, 1974, at 2:30 p.m. (local time), in Room 1027, Universal Building, 1825 Connecticut Avenue, N.W., Washington, D.C., to coordinate efforts for conserving energy and to exchange ideas and viewpoints.

Dated at Washington, D.C., October 31, 1974.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

[FR Doc. 74-25804 Filed 11-4-74; 8:45 am]

[Docket 23604 et al.]

KODIAK-WESTERN ALASKA RENEWAL PROCEEDING

Notice of Reassignment of Proceeding

This proceeding is hereby reassigned from Administrative Law Judge Henry Whitehouse to Administrative Law Judge William H. Dapper. Future communications should be addressed to Judge Dapper. The further procedural steps herein remain as prescribed in the Report of Supplemental Prehearing Conference, served October 11, 1974.

Dated at Washington, D.C., October 30, 1974.

[SEAL] ROBERT L. PARK,
Chief Administrative Law Judge.

[FR Doc. 74-25805 Filed 11-4-74; 8:45 am]

⁷ Minetti and West, members, concurrence and dissent, filed as part of the original document.

COMMISSION ON CIVIL RIGHTS

EQUALITY OF EDUCATIONAL OPPORTUNITY

Notice of Consultation

Notice is hereby given that the U.S. Commission on Civil Rights will hold a public consultation to consider views on proposed findings and recommendations derived from a Commission report entitled "Twenty Years After Brown: Equality of Educational Opportunity" on December 17, 1974, in Conference Room B of the Departmental Auditorium, which is located on Constitution Avenue between 12th and 14th Streets NW., in Washington, D.C.

Persons interested in obtaining copies of the report and the proposed findings and recommendations may obtain these and further information from the Office of Information and Publication, U.S. Commission on Civil Rights, 1121 Vermont Avenue NW., Washington, D.C. 20425, or make such request by telephone to (202) 254-6600. Written comments must be received by the Commission no later than November 20, 1974, for consideration by the Commissioners prior to the public consultation.

Dated at Washington, D.C., November 1, 1974.

JOHN A. BUGGS,
Staff Director.

[FR Doc. 74-26007 Filed 11-4-74; 10:03 am]

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

PROCUREMENT LIST 1974

Addition to Procurement List

Notice of proposed addition to Procurement List 1974, November 29, 1973 (38 FR 33038) was published in the FEDERAL REGISTER on September 26, 1974 (39 FR 34601).

Pursuant to the above notice the following service is added to Procurement List 1974.

Industrial class 0782:	Price
Grounds Maintenance (RF),	List of prices available from
Secret Service	U.S. Secret
Special Training Building	Service Procurement
and Complex,	Washington, D.C.
Beltville, Md.	

By the Committee.

C. W. FLETCHER,
Executive Director.

[FR Doc. 74-25730 Filed 11-4-74; 8:45 am]

PROCUREMENT LIST 1974

Deletion From Procurement List

Notice of proposed deletion from Procurement List 1974, November 29, 1973 (38 FR 33038) was published in the FEDERAL REGISTER on September 17, 1974 (39 FR 33426).

Pursuant to the above notice the following commodities are deleted from Procurement List 1974.

Class 8440:

Neckchief (IB) 8440-240-4922

Class 8465:

Bag, sleeping (disposable) (IB) 8465-338-5415.

Bag, soiled clothes (saran) (IB) 8465-286-5455.

By the Committee.

C. W. FLETCHER,
Executive Director.

[FR Doc. 74-25731 Filed 11-4-74; 8:45 am]

COUNCIL ON ENVIRONMENTAL QUALITY

ENVIRONMENTAL IMPACT STATEMENTS

Availability

Environmental impact statements received by the Council on Environmental Quality from October 21 through October 25, 1974. The date of receipt for each statement is noted in the statement summary. Under Council Guidelines the minimum period for public review and comment on draft environmental impact statements is forty-five (45) days from this FEDERAL REGISTER notice of availability. (December 16, 1974) The thirty (30) day period for each final statement begins on the day the statement is made available to the Council and to commenting parties.

Copies of individual statements are available for review from the originating agency. Back copies will also be available at cost, from the Environmental Law Institute, 1346 Connecticut Avenue, Washington, D.C. 20036.

DEPARTMENT OF AGRICULTURE

Contact: Dr. Fred H. Tschirley, Acting Coordinator, Environmental Quality Activities, Office of the Secretary, U.S. Department of Agriculture, Room 331-E, Administration Building, Washington, D.C. 20250, 202-447-8965.

FOREST SERVICE

Draft

Timber Management, White Mountain N.F., October 24. The statement refers to the proposed Timber Management Plan which will cover the White Mountain National Forest from July 1, 1974 through June 30, 1982. The plan includes a potential yield of 19,210,000 of sawlogs and 68,900 cords of products annually. There will be impacts to aesthetics, air, water and soil qualities, and fish and wildlife. (ELR Order No. 41618.)

Timber Management Plan, Routt N.F., Colo., October 21. Proposed is the revision of the 1961 Timber Plan for the Routt National Forest. The revision would cover the years 1975-1984. Under the plan, 7,500 acres annually of the available commercial forest land would receive various timber management activities. The expected annual yield is 72,000 Cunits including 33 million board feet of sawtimber. Timber harvest and road construction will affect air and water quality, visual resources, and wilderness values in areas not selected as New Study areas (ELR Order No. 41602.)

Red Rock Peak Unit, Salmon N.F., Lemhi County, Idaho, October 21. The statement refers to a proposed land use plan for the 120,330 acre Redrock Unit of the Salmon National Forest. The planning area was divided

into four management areas which will be managed for appropriate resource uses, protection needs, and management needs. Major environmental impact will be due to timber harvest, mining, and road construction. Of the 87,070 acres of inventoried lands within the unit, 17,414 acres (20%) will remain unroaded. (ELR Order No. 41593.)

Lyndon B. Johnson National Grasslands, Fannin County, Tex., October 23. The statement refers to the 10 year management plan for the Caddo Unit, Lyndon B. Johnson National Grasslands. The unit will be managed for the benefit of wildlife, erosion control, improved transportation, range improvement, and "other action plans." There will be soil, water, air and visual impact due to road, trail and recreation construction brush control, prescribed burning, and fence construction. Increased recreational use will result in increased littering. (ELR Order No. 41613.)

Boulder Mountain Unit, Dixie N.F., Wayne and Garfield Counties, Utah, October 21. The statement refers to the land use plan for the 250,000 acre Boulder Mountain Planning Unit of the Dixie N.F. The Unit will be managed for the protection of its watersheds, for recreational uses, livestock grazing, timber production, wildlife resources, and related values. Of the nine inventoried roadless areas in the Unit, only one complete area (the 48,000 acre Boulder Top area) and parts of two other areas are recommended for special management. (ELR Order No. 41599.)

Final

Barry Arm No. 1, Chugach N.F., Alaska, October 22. Proposed is the awarding of Barry Arm No. 1 Timber Sale, which was auctioned on September 29, 1972. The sale is located on the west shore of Barry Arm, Prince William Sound. The sale consists of three units totalling 88 acres; gross sale area is 172 acres. Total volume of the sale is 2,849 MBF. Approximately 77 percent of the area would be harvested by cable; the remaining harvest would be by tractor. The sale will result in road construction in presently roadless areas (30 pages). Comments made by: EPA, USCG, HUD, and DOC. (ELR Order No. 41604.)

Transmission Line, Apalachicola N.F., Fla., October 21. Proposed is the granting of an application for a right-of-way for a 230 KV transmission line across the Apalachicola National Forest. The line would connect the Hopkins Power Plant with a Florida Power Corp. transmission line between St. Marks and Crawfordville. There will be adverse impact to aesthetics, forest enjoyment, commercial forestry, and potential airport (Tallahassee) expansion (168 pages). Comments made by: USDA, HEW, DOI, FPC, DOC, EPA, DOT, and AHP. (ELR Order No. 41597.)

Cube Iron-Silcox Unit, Lolo N.F., Sanders County, Mont., October 21. The statement refers to a proposed multiple use plan for the 16,927 acre Cube Iron-Silcox Planning Unit, Thompson Falls Ranger District, Lolo National Forest. Under the plan the Unit would be divided into six sub-units, to be managed for similar resource potentials and problems. Roadless conditions would be maintained upon 8,267 acres; roads and other activities will result in the development of 7,766 acres which are currently roadless. Management would be for recreation, aesthetics, fisheries, wildlife, watershed, tim-soil, water, vegetation, and wildlife (215 pages). Comments made by: DOI, EPA, and state and local agencies and concerned citizens. (ELR Order No. 41600.)

Final

Murr-Baldy Planning Unit, Lolo, N.F., Sanders and Flathead Counties, Mont. The statement refers to a revised multiple use plan for the 98,900 acre Murr-Baldy Planning Unit of the Lolo National Forest. The plan recommends that 67,549 acres be managed for recreation, fisheries, timber, wild-

life, esthetics, watershed, and range. Two areas totalling 26,444 acres will be maintained in a roadless condition; 35,932 acres of presently roadless land will be partially roaded and developed. Comments made by: EPA, DOI, and state and local agencies. (ELR Order No. 41615.)

Draft

Timber Management, White Mountain N.F., Maine and New Hampshire, October 24. The statement refers to the proposed Timber Management Plan which will cover the White Mountain National Forest from July 1, 1974 to June 30, 1982. The plan includes a potential yield of 19,210,000 of sawlogs and 68,900 cords of products annually. There will be impacts to aesthetics, air, water, and soil qualities, and fish and wildlife. (ELR Order No. 41618.)

SOIL CONSERVATION SERVICE

Draft

Little Luckiamute River Watershed, Polk County, Oreg., October 21. Proposed is the land treatment, flood prevention, irrigation, recreation, fishery, and water supply project on the Little Luckiamute River Watershed. Project measures will include land treatment on 51,770 acres, and the construction of Teal Creek Dam. The dam will block passage of anadromous fish and will inundate 2 miles of spawning area. Seven hundred acres of land will be disturbed, of which 340 acres will be permanently inundated. Land acquisition will displace 14 families. The project will stimulate development in the area, and will alter wildlife habitat. (ELR Order No. 41598.)

DEPARTMENT OF DEFENSE

ARMY CORPS

Contact: Mr. Francis X. Kelly, Director, Office of Public Affairs, Attn: DAEN-PAP, Office of the Chief of Engineers, U.S. Army Corps of Engineers, 1000 Independence Avenue, S.W., Washington, D.C. 20314, 202-693-7168.

Draft

Two Harbors Harbor, Operation and Maintenance, Lake County, Minn., October 21. The statement refers to operation and maintenance activities within Two Harbors Harbor at Lake Superior. Proposed plans call for removal of approximately 6,000 cubic yards of dredge material to complete the project authorized in 1960. Drilling, blasting, and removal of broken rock is anticipated to complete the dredging. Maintenance of the breakwater to replace rock torn away by Lake Superior storms is also expected. Adverse environmental impacts include: minor congestion; air water contamination; noise; increased turbidity; and, benthic damage (St. Paul District) (32 pages). (ELR Order No. 41594.)

Kaw Lake, Arkansas River, Oklahoma, October 21. The statement is an updated and revised draft of a final eis submitted to CEQ December 31, 1970. It proposes continued construction of a multi-purpose reservoir project on the Arkansas River 8 miles east of Ponca City. The lake will significantly reduce annual flood damages and will provide a marginal quality but dependable water supply and recreation facility for the area. Adverse environmental effects include: inundation of 17,000 acres of land and 46 miles of river and streams; subjection to inundation of an additional 21,000 acres during floods; adverse effects on oil recovery operations, highways, roads, pipelines, powerlines, and the nearby cities; and the relocation of about 430 families (Tulsa). (ELR Order No. 41601.)

Burnett, Crystal, and Scott Bays, and Vicinity, Harris County, Tex., October 22. The

statement concerns legislative action to permanently evacuate the Burnett, Crystal, and Scott Bays and vicinity in Baytown, Texas. The project also calls for the removal of the evacuated dwellings on the 50-year frequency flood plain and conversion of the land to a nature area. Adverse effects of the project include emotional and social strains on the 1,550 persons to be evacuated and a small effect on business located near the area (Galveston District). (ELR Order No. 41603.)

Albemarle and Chesapeake, and Dismal Swamp Canals, Virginia and North Carolina, October 24. The statement refers to the maintenance dredging of the Albemarle and Chesapeake Canal, and the Dismal Swamp Canal Routes of the Atlantic Intracoastal Waterway, Virginia and North Carolina. The dredging will be done by hydraulic dredging. Adverse impacts are increased turbidity, destruction of benthic community, loss of marshlands and terrestrial vegetation and habitat, interference to local recreational hunting and Routes of the Atlantic Intracoastal Waterway, Virginia (Norfolk District). (ELR Order No. 41622.)

Kewaunee Harbor Maintenance, Wisconsin, October 25. Proposed is the periodic maintenance dredging of the Kewaunee Harbor, and disposal of the spoil in a diked area. There will be some adverse impact to the aquatic environment (Chicago District). (ELR Order No. 41624.)

Final

Cochiti Dam, New Mexico, October 21. Proposed is the completion of Cochiti Dam, a unit of the Middle Rio Grande Valley Project. The multi-purpose project is intended to arrest floodflows, retain sediment, and promote recreation and fish and wildlife resources. Approximately 1,240 acres will be inundated by the project; which is 73 percent complete. There will be a potential loss of archeological resources. Comments made by: DOI, USDA, EPA, DOT, and state and local agencies and concerned citizens. (ELR Order No. 41598.)

Canaveral Harbor Extension, Brevard County, Fla., October 25. The proposed project consists of dredging a 31-foot deep, 300-foot wide, and 1,540-foot long ship channel. The dredging will increase turbidity and siltation. Loss of benthic habitat will occur (52 pages). Comments made by: DOC, EPA, HUD, DOI, and state agencies. (ELR Order No. 41629.)

Hugo Lake, Kiamichi River, Choctaw County, Okla., October 25. The statement refers to the construction and operation of Hugo Lake, a flood control, water supply and quality control, recreation, and fish and wildlife management project on the Kiamichi River. (Project construction was 74 percent as of January 1, 1973.) Adverse impact of the project includes the permanent flooding of 13,250 acres of land and 35 miles of the Kiamichi River; an additional 21,240 acres will be inundated during flood times (Tulsa District). Comments made by: EPA, DOI, DOT, USDA, and state agencies. (ELR Order No. 41630.)

Ta'u Boat Harbor, Ta'u Island, American Samoa, October 25. Proposed is the construction of a boat harbor in the vicinity of Fusi, on the west coast of the Island of Ta'u. The project includes an entrance channel, a turning basin, a breakwater, a groin, a revetted mola, and navigational aids. Other features would be provided by the government of American Samoa. Construction activities would extend over 9.8 acres of reef flat; 2.7 acres of reef flat would be converted to land. There will be impact on marine biota, vegetation wildlife habitat, and the tranquility of village communities (Pacific Ocean Division (50 pages). Comments made

by: HEW, EPA, and Government of Samoa. (ELR Order No. 41626.)

ARMY

Contact: Mr. George A. Cunney, Jr., Acting Chief, Environmental Office, Directorate of Installations, Office of the Deputy Chief of Staff for Logistics, Washington, D.C. 20310, 202-0X 4-4269.

Draft

Parachute Drop Zone, Ft. Richardson, Alaska, October 22. Proposed is the construction of a 2100' x 4500' parachute drop zone in Ft. Richardson, Alaska, where air space is presently restricted. The zone would replace the Claxton Drop Zone, which FAA considers to be a hazard to general aviation operations because of interference by uncontrolled light planes. The new area would be cleared of trees and other obstacles, and would be graded, contoured, and revegetated. There will be some loss of moose habitat due to the action. (ELR Order No. 41605.)

ENVIRONMENTAL PROTECTION AGENCY

Final

WSSC Piscataway Wastewater Treatment Facility, Prince Georges County, Md., October 25. The statement refers to the proposed granting of Federal financial assistance for the addition of advanced wastewater treatment facilities to the existing 30 MGD plant, and the installation of 18,000 feet of 108 inch outfall pipe. The outfall pipe would relocate the effluent discharge points in the main channel of the Potomac Estuary approximately 2500 feet due west of Mockley Point. There will be construction disruption and a loss of some vegetation and wildlife habitat. An increase in sludge loads would result from the action. Comments made by: EPA, COE, USDA, DOI, AHP, and state and local agencies and concerned citizens. (ELR Order No. 41625.)

DEPARTMENT OF HUD

Contact: Mr. Richard H. Broun, Acting Director, Office of Community and Environmental Standards, Room 7206, 451 7th Street SW., Washington, D.C. 20410, 202-755-5980.

Draft

Murray Industrial Park, Chelsea, Mass., October 21. The statement refers to the proposed 103.4 acre Murray Industrial Park Urban Renewal Project in Chelsea. The project would provide for commercial, industrial, and residential uses of the area, part of which was destroyed in a fire in October, 1973. Adverse impacts will result from construction disruption, and from the close proximity of Logan Airport. (ELR Order No. 41595.)

DEPARTMENT OF INTERIOR

Contact: Mr. Bruce Blanchard, Director, Environmental Project Review, Room 7260, Department of the Interior, Washington, D.C. 20240, 202-343-3891.

Final

Great Swamp Nat. Wildlife Refuge, N.J., October 21. A program is proposed for controlled public hunting of white-tailed deer on 4,200 acres of Great Swamp National Wildlife Refuge, New Jersey. The proposal consists of an initial phase commencing in the winter of 1974 with a 6-day hunt to reduce the deer population of 600 to carrying capacity of about 250. Future hunts would periodically be held to maintain a balance between deer numbers and refuge habitat. Adverse impacts would be noise from firearms, loss of crippled deer, potential of wildlife lead poisoning, temporary closure of the refuge to other activities, and emotional distress to those who believe that public hunting on a refuge is improper. Comments made

by: DOI, DOT, and state and local agencies. (ELR Order No. 41591.)

BUREAU OF LAND MANAGEMENT

Final

Motorcycle Race, Barstow, California to Las Vegas, Nev., October 22. The statement discusses a point to point motorcycle race approximately 155 miles on existing roads and trails over open desert from near Barstow, California to Las Vegas, Nevada. Three thousand motorcyclists released in 2 waves will race over previously used roads and trails. An estimated 10,000 to 12,000 people will attend as pit crews and spectators. The proposed race will result in an increment of damage to the soil, vegetation, wildlife habitat and cultural resources within the area of influence. Comments made by: USDA, DOI, and state agencies. (ELR Order No. 41592.)

BONNEVILLE POWER ADMINISTRATION

Draft

BPA Proposed Fiscal Year 1976 Program October 22. The statement refers to BPA's proposed program for FY 1976, including new facility additions and modifications. The states of Washington, Oregon, Idaho, Montana, and Wyoming are involved. Among program impacts are: the conversion of 2,200 acres of forest land to use as transmission line right-of-way; the effects of herbicide use (for vegetation control on rights-of-way); visual impact from transmission line construction; and effects on air and water quality. (ELR Order No. 41606.)

Yale Service, Cassia County, Idaho, October 23. The statement supplements the BPA fiscal year 1976 program eis, and evaluates the construction of a new substation near Yale, Idaho. There will be some loss of wildlife habitat due to construction of the station. (ELR Order No. 41617.)

Pebble Springs-Marion 500 kV Line, several counties in Oregon, October 23. The statement supplements the BPA fiscal year 1976 program eis, and evaluates the construction of a 160 mile long, 500 kV double circuit transmission line from the Pebble Springs Substation to the Marion Substation. Impacts will include the removal of 800 to 855 acres of forestland from timber production; the impacts of new access road requirements; visual impacts; and the taking of 45 acres of rangeland for the Pebble Springs Substation. (ELR Order No. 41611.)

Prototype 1100 kV Test Facilities, Gilliam and Sherman Counties, Ore., October 23. Proposed is the construction of a 1.8 mile 1100kV prototype electrical line near Lyons, Oregon, and a one mile 1100 kV mechanical and ice test prototype line near Moro. Long term impacts associated with the adoption of 1100 kV line in the Pacific Northwest grid include: increased visual impacts; potential effects from ozone production, electrical fields, and noise; and potential radio and TV interference. (ELR Order No. 41612.)

Lake Isabella Service, Mason County, Wash., October 24. Proposed is the construction of a new substation near Shelton, Washington. Land requirements are approximately 1.5 acres; an access road would also be required. There will be some construction disruption from the project. (This statement supplements BPA's FY 1976 program eis.) (ELR Order No. 41620.)

Shelton-Kitsap 230 kV line, Kitsap and Mason Counties, Wash., October 24. The statement supplements the BPA fiscal year 1976 program eis, and evaluates the proposed construction of a 31.0 mile 230 kV transmission line from Shelton to Kitsap Substation. Impacts will include the removal of

commercial Christmas trees from right-of-way; the crossing of two streams and resulting impacts on aquatic wildlife; visual impact; and some degradation of AM reception near the right-of-way. (ELR Order No. 41621.)

Franklin/Badger Canyon Line, Benton and Franklin Counties, Wash., October 25. Proposed is the construction of 15 miles of 230 kV double-circuit transmission line, from Franklin Substation to the proposed Badger Canyon Substation. The line would cross Sacajawea State Park, pass through irrigated cropland, and depending upon the route chosen, pass through a proposed residential development and right-of-way for a proposed interstate highway. (This statement supplements the BPA fiscal year 1976 proposed program eis.) (ELR Order No. 41628.)

BUREAU OF RECLAMATION

Final

Round Mound Dam, Pick-Sloan Program, Trego, Hockley, and Russell Counties, Tex. October 25. Proposed construction of the Round Mound Dam and Reservoir, as a major portion of the Ellis Unit of the Pick-Sloan Missouri Basin Program. The dam, an 111' high rolled earth structure, would be located five miles west of Ellis. A 175,000 acre-foot capacity reservoir would be formed, inundating 10 miles of stream bed and 3,085 acres of land. The project is designed to furnish municipal and industrial water for the City of Hays, and flood protection downstream. Comments made by: AHP, USDA, DOC, DOT, COE, HUD, DLAR, FPA, FPC, and state and local agencies and concerned citizens. (ELR Order No. 41623.)

DEPARTMENT OF TRANSPORTATION

Contact: Mr. Martin Convisser, Director, Office of Environmental Quality, 400 7th Street, S.W., Washington, D.C. 20590, 202-426-4357.

FEDERAL HIGHWAY ADMINISTRATION

Draft

Route 252, San Diego, County, Calif., October 25. Proposed is the construction of 1.2 miles of six lane freeway which will complete the connection between 15 and 1805. Forty-four acres of urban land has been committed to right-of-way; a 4(f) section for the use of a section of Southcrest Park has been approved. (ELR Order No. 41627.)

S.R. 37, Perry County, Ind., October 23. The statement refers to the construction of S.R. 37 in Perry County, Indiana. The project is composed of four sections with a total length of 20.759 miles. Adverse impacts are the necessity of using an additional 900 acres of land for right-of-way, displacement of 25 families, and construction disruptions. A 4(f) determination was necessary concerning the Hoosier National Forest. (ELR Order No. 41614.)

Final

I 80N, Caldwell, Canyon County, Idaho, October 22. The proposed project is the construction of I 80, in the vicinity of Caldwell. The facility will require an unspecified amount of land for right-of-way, and will have an unspecified number of displacements. Adverse impact will also include loss of wildlife, and an increase in noise pollution levels (134 pages). Comments made by: COE, HUD, DOI, USDA, FDA, and state and local agencies. (ELR Order No. 41608.)

Relocated KY 55-KY 155, Jefferson and Spencer Counties, Ky., October 22. The proposed action is the relocation of KY-55-KY155 between Taylorsville and Fishersville. Project length is 13.9 miles. Approximately 400 acres of agricultural land will be committed to the action. A bridge spanning

Brashers Creek and 1000 feet of channel relocation may be required. Seven residences, one business and one non-profit organization will be displaced (84 pages). Comments made by: EPA, USDA, DOT, DOI, COE, and state agencies. (ELR Order No. 41607.)

East Blvd. Extension, Pontiac, Mich., October 22. The proposed project is the development of a 3,000 foot extension and railroad pass to connect South Blvd. to Woodward Avenue. Length of the project, appropriation of acreage and the number of businesses and residences to be displaced are unspecified. Adverse impacts include increased noise and air pollution (83 pages). Comments made by: DOT, COE, EPA, USDA, DOI, and state and local agencies and concerned citizens. (ELR Order No. 41610.) (NTIS Order No. ERS 73 0136D.)

U.S. 31-Michigan, Berrien County, Mich., October 23. The proposed project is the bridge replacement over the St. Joseph River and reconstruction of 1.7 miles of U.S. 31. Three families and one business will be displaced. Adverse effects will consist of increases in air, water, noise, and litter pollution; loss of vegetation and increased erosion; and siltation due to rechannelization of St. Joseph's River (70 pages). (ELR Order No. 41616.)

U.S. 2 and U.S. 83, Minot, N. Dak., October 22. The statement refers to the proposed relocation of approximately 2 miles of U.S. 2 so that it intersects with U.S. 83 at point 1200 feet south of the existing intersection. The relocated facility will be a four lane divided roadway. Adverse impacts are the acquisition of 99 acres of land and the relocation of approximately 10 businesses. Comments made by: EPA, DOI, USDA, and state agencies. (ELR Order No. 41609.)

GARY L. WIDMAN,
General Council.

[FR Doc.74-25694 Filed 11-4-74; 8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[FRL 287-8]

ENVIRONMENTAL IMPACT STATEMENTS
Availability of Agency Comments

Pursuant to the requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, and section 309 of the Clean Air Act, as amended, the Environmental Protection Agency (EPA) has reviewed and commented in writing on Federal agency actions impacting the environment contained in the following appendices during the period of October 1, 1974 and October 15, 1974.

APPENDIX I.—Draft environmental impact statements for which comments were issued between Oct. 1, 1974, and Oct. 15, 1974

Identifying No.	Title	General nature of comments	Source for copies of comments
Department of Agriculture:			
D-AFS-E61005-SC	Management plan for Chauga unit of Sumter National Forest, Oconee County, S.C.	LO-2	E
D-SCS-E36003-TN	Bogota watershed and work plan, Dyer and Obion Counties, Tenn.	LO-2	E
D-SCS-F36002-MN	Norman-Polk watershed, Norman and Polk Counties, Minn.	LO-2	F
Corps of Engineers:			
D-COE-A32513-MT	Libby additional units and reregulating dam, Kootenai River, Lincoln County, Mont.	ER-2	I
DS-COE-A39032-IA	Evansdale, local protection project, Iowa	LO-2	H
D-COE-C07001-NY	Proposed Long Island Lighting Co. gas turbine electric power facility at Glenwood Landing, N.Y.	ER-3	C
D-COE-C36001-NJ	Flood control project, Orange and West Orange, N.J.	3	C
D-COE-C36004-NJ	Flood control project, Robinson's Branch of the Rahway River, Clark, Scotch Plains, and Rahway, N.J.	ER-2	C

Appendix I contains a listing of draft environmental impact statements reviewed and commented upon in writing during this review period. The list includes the Federal agency responsible for the statement, the number and title of the statement, the classification of the nature of EPA's comments as defined in Appendix II, and the EPA source for copies of the comments as set forth in Appendix V.

Appendix II contains the definitions of the classifications of EPA's comments on the draft environmental impact statements as set forth in Appendix I.

Appendix III contains a listing of final environmental impact statements reviewed and commented upon in writing during this reviewing period. The listing will include the Federal agency responsible for the statement, the number and title of the statement, a summary of the nature of EPA's comments, and the EPA source for copies of the comments as set forth in Appendix V.

Appendix IV contains a listing of proposed Federal agency regulations, legislation proposed by Federal agencies, and any other proposed actions reviewed and commented upon in writing pursuant to section 309(a) of the Clean Air Act, as amended, during the referenced reviewing period. The listing includes the Federal agency responsible for the proposed action, the title of the action, a summary of the nature of EPA's comments, and the source for copies of the comments as set forth in Appendix V.

Appendix V contains a listing of the names and addresses of the sources for copies of EPA comments listed in Appendices I, III, and IV.

Copies of the EPA Manual setting forth the policies and procedures for EPA's review of agency actions may be obtained by writing the Public Inquiries Branch, Office of Public Affairs, Environmental Protection Agency, Washington, D.C. 20460. Copies of the draft and final environmental impact statements referenced herein are available from the originating Federal department or agency.

Dated: October 23, 1974.

REBECCA W. HANMER,
Acting Director,
Office of Federal Activities.

Identifying No.	Title	General nature of comments	Source for copies of comments
D-COE-F36001-IL	Local protection project, Fulton, Whiteside County, Ill.	ER-2	F
D-COE-H35000-MO	St. Charles Quarry, dredge and fill permit, Missouri	LO-2	H
D-COE-K30001-CA	Los Tunas Beach Park, Los Angeles County, Calif.	LO-2	J
D-COE-K36001-CA	Kings River project, Cole Slough-La-on area, Calif.	LO-1	J
D-COE-G32001-LA	Deep draft access to the ports of New Orleans and Baton Rouge, La.	LO-2	G
D-COE-L36005-OR	Construction, operation, and management, Columbia River, Umatilla to the Dalles, Greg. and Wash.	LO-1	K
Department of the Interior:			
D-BLM-K69000-OR	Proposed motorcycle race between Yermo, Calif., and Las Vegas, Nev.	ER-2	J
D-BOR-E61004-TN	Proposed Obed National Wild and Scenic River, Cumberland, Pentress, and Morgan Counties, Tenn.	LO-1	E
D-DOI-C64001-NJ	White-tailed deer hunting program, Great Swamp National Wildlife Refuge, N.J.	LO-1	C
D-NPS-D60001-VA	Colonial national historical park land acquisition, James City and York County, Va.	ER-2	D
General Services Administration:			
D-GSA-H60000-KS	Disposal of Forbes Air Force Base (700 area), Topeka, Kans.	LO-1	H
Department of State:			
D-STA-A99002-OR	The Convention for the Conservation of Antarctic Seals.	LO-2	A
Department of Transportation:			
D-FHW-D40002-WV	I-79, Kanawha County, W. Va.	LO-2	D
D-FHW-E40003-GA	Fulton County, West Peachtree St. extension from Pershing Point to Piedmont Rd. NE., Project U-013-1, Atlanta, Ga.	ER-2	E
D-FHW-E40004-TN	Madison County, State Route 1 Bypass from State Route 5, US 45, bypass to State Route 1, US 70, State Project 57004-0203-04, Jackson, Tenn.	LO-2	E
D-FHW-E40006-AL	I-565-5 (1), Madison and Limestone Counties, Ala.	LO-2	E
D-FHW-E40007-TN	Warren County, McMinnville, SR-55 Bypass, from SR-55 to SR-1 Bypass, Tenn.	LO-2	E
D-FHW-E40008-FL	Indian River County, Vero Beach, State Road 60, FL-60, US 197(1), Fla.	LO-2	E
D-FHW-E40009-KY	Marshall, Livingston, Lyon, Caldwell, and Trigg Counties, I-24, Ky.	LO-2	E
D-FHW-F40009-WI	Waterloo-Watertown Rd., Hubbleton Bridge and approaches, STH 19, Dodge and Jefferson Counties, Wis.	LO-1	F
D-FHW-F40007-WI	USH 10, STH 114 to West Seymour St., Winnebago, Calumet and Outagamie Counties, Wis.	LO-1	F
D-FHW-F40009-WI	Mequon Rd., city of Mequon, STH 167, Ozaukee County, Wis.	LO-1	F
D-FHW-F40010-MI	Rouge River Bridge, 10 mile road corridor, Rockford, Kent County, Mich.	LO-2	F
D-FHW-F40013-WI	Smith Lake, US 63, Namekagon River, Sawyer County, Wis.	LO-1	F
D-FHW-G40012-NM	Bridge over Rio Grande at Espanola, Rio Arriba County, N. Mex.	LO-2	G
D-FHW-G40008-LA	Covington Bypass East, Route LA-3114, St. Tammany Parish, La.	3	G
D-FHW-G40009-TX	SH 44 from SH 358 to US 77, Corpus Christi to Robstown, Nueces County, Tex.	LO-2	G
D-FHW-H40003-IA	F-520, Hamilton and Hardin Counties, Iowa.	LO-2	H
D-FHW-H40007-KS	Gage Blvd., from Drury Lane to 9th St., Topeka, Kans.	LO-2	H
D-FHW-J40004-CO	Project No. F-019-2(L4) SH 160-550, Durango South, Laplata County, Colo.	ER-2	I
D-FHW-K40004-AZ	Hohokam Expressway, Maricopa County, Ariz.	ER-2	J
D-FHW-L40006-WA	South Kirkland Trail Crossing, Wash.	LO-1	K
Veterans Administration:			
D-VAD-H81000-IA	Parking facility, Veterans Administration Hospital, Iowa City, Iowa.	ER-2	H

APPENDIX II

Adequacy of the Impact Statement

DEFINITION OF CODES FOR THE GENERAL NATURE OF EPA COMMENTS

Environmental Impact of the Action

LO—Lack of objection. EPA has no objections to the proposed action as described in the draft impact statement; or suggests only minor changes in the proposed action.

ER—Environmental reservations. EPA has reservations concerning the environmental effects of certain aspects of the proposed action. EPA believes that further study of suggested alternatives or modifications is required and has asked the originating Federal agency to reassess these impacts.

EU—Environmentally unsatisfactory. EPA believes that the proposed action is unsatisfactory because of its potentially harmful effect on the environment. Furthermore, the Agency believes that the potential safeguards which might be utilized may not adequately protect the environment from hazards arising from this action. The Agency recommends that alternatives to the action be analyzed further (including the possibility of no action at all).

Category 1—Adequate. The draft impact statement adequately sets forth the environmental impact of the proposed project or action as well as alternatives reasonably available to the project or action.

Category 2—Insufficient information. EPA believes that the draft impact statement does not contain sufficient information to assess fully the environmental impact of the proposed project or action. However, from the information submitted, the Agency is able to make a preliminary determination of the impact on the environment. EPA has requested that the originator provide the information that was not included in the draft statement.

Category 3—Inadequate. EPA believes that the draft impact statement does not adequately assess the environmental impact of the proposed project or action, or that the statement inadequately analyzes reasonable available alternatives. The Agency has requested more information and analysis concerning the potential environmental hazards and has asked that substantial revision be made to the impact statement.

APPENDIX III.—Final environmental impact statements for which comments were issued between Oct. 1, 1974, and Oct. 15, 1974

Identifying No.	Title	General nature of comments	Source for copies of comments
Department of Agriculture F-AFS-A6602-CO..	Meadow Mountain on White River National Forest, Eagle County, Colo.	EPA expressed reservations to the Forest Service's issuance of a conditional permit which may foreclose alternative options for dealing with water and air quality problems subject to EPA review in coordination with the State of Colorado. Furthermore, EPA recommended that the Forest Service conduct additional environmental analyses of the specific Beaver Creek ski area and give strong consideration to preparing an impact statement on the site-specific environmental impacts of the Beaver Creek proposal.	I
Corps of Engineers: F-COE-A3635-AZ..	Indian Bend Wash, Maricopa County, Ariz.	EPA expressed no objections to the proposed project.	J
Department of Defense: FS-USA-J20000-CO.	Supplement A to Project Eagle, phase II, demilitarization and disposal of the M34 cluster at Rocky Mountain Arsenal, Colo.	EPA expressed concern regarding the disposal of salts from mustard gas demilitarization operations. Depending on the manner of disposal and the nature of the material, such disposal activity could be considered a significant action in terms of the National Environmental Policy Act. The Army was requested to assess the impacts of this disposal activity.	I
Federal Power Commission: F-FPC-A03055-RI..	Algonquin Gas Transmission Co. and New England LNG, Inc., Providence, R.I.	EPA generally had no objections to the proposed project. However, EPA suggested that the FPC provide additional data on the selection of Brenton's Reef as a dredge spoil disposal site and recommended that appropriate permits and approvals be obtained before engaging in dumping.	B
Department of Transportation: F-FHW-A41144-OH.	State Route 35 (OH-35), Jackson County, Ohio.	EPA expressed no objections to the proposed project.	F
F-FHW-A41842-MA.	Northeast Bypass, Amherst-Hadley, Mass.	EPA generally expressed no objections to the proposed project. However, EPA suggested that sedimentation basins be part of the final designs for runoff collection and that future impact statements follow more closely EPA's guidelines for air quality assessment.	B
FS-FHW-E40012-TN.	Davidson County, Nashville, Briley Parkway from I-24 interchange to Gallatin Rd., air quality analysis, Tennessee.	The supplemental air quality impact analysis does not address the problem of oxidants. Since the project is to be located in an area that is priority 1 for oxidants, the problem of oxidants must be considered in order for the project to receive approval under the EPA indirect source regulations.	E
Department of the Interior: F-BLM-A67005-FL.	Phosphate leasing on the Osceola National Forest in north-central Florida.	The proposed phosphate leasing on Osceola National Forest was determined to be an undesirable project because of the following principal environmental issues: (1) Total destruction of 30,000 acres of national forest land; (2) lack of reclamation plan of the mined-out area; (3) creation of a cone of depression in the potentiometric surface of the Floridian aquifer; and, (4) slime pond seepage threat to the ecology of the Suwannee River system. EPA is waiting for a reply to an EPA letter urging that BLM give further consideration on whether to proceed with the proposed leasing.	E
E-BPA-A05440-OR.	Bonneville Power Administration, wholesale power rate increase, Oregon.	EPA expressed no further objections to the proposed action.	K
F-IBR-A08013-CO..	Hayden-Ault 345 kV transmission line and Ault Substation, Colo.	EPA generally expressed no objections to the proposed project. However, EPA requested that additional consideration be given to double-circuiting transmission facilities such as this one in areas of high scenic value.	
LF-DOI-A08043-00..	Proposed deregulation of natural gas prices.	While not disagreeing with the proposed action, EPA found that the agency's comments on the draft statement were not addressed. Furthermore, EPA does not believe that the final statement properly considered some pertinent questions raised by other reviewers. Finally, the final statement has not shown that deregulation is the most desirable method of achieving the objectives of increasing and reallocating natural gas supplies because the statement's modeling and analysis of the effects of deregulation are weak and also because little attempt is made to compare the costs and benefits of alternative measures.	A

APPENDIX IV.—Regulations, legislation, and other Federal agency actions for which comments were issued between Oct. 1, 1974, and Oct. 15, 1974.

Identifying No.	Title	General nature of comments	Source for copies of comments
Department of Agriculture; R-SCS-A86069-00	7 CFR part 650, related environmental concerns, proposed guidelines, Soil Conservation Service.	In EPA's view, the proposed regulations are generally adequate; however, suggestions for modification of several sections were made in an effort to strengthen the regulations from an environmental point of view.	A
Federal Power Commission; R-FPC-A86067-00...	18 CFR part 141, environmental protection facilities and activities, cost reporting requirements.	EPA agrees with the intent of the FPC proposal; however, the agency expressed serious concern over the imprecise guidance provided in the new reporting schedules. EPA suggested several points for FPC consideration prior to final rulemaking.	A
Department of Interior; R-DOI-A32522-00...	Guidelines for review of fish and wildlife aspects of proposals in or affecting navigable waters, notice of proposed adoption.	In EPA's view, the guidelines fulfill an important need and the agency encouraged their adoption and full implementation as soon as possible. Modifications to several sections were offered in an effort to strengthen the guidelines from an environmental point of view.	A
Department of Transportation; R-FHW-A54032-00...	23 CFR part 810, mass transit and special use highway projects, notice of proposed rulemaking.	EPA suggested car pool vehicles be allowed to use exclusive vehicle lanes; cross-over ramps for contraflow lanes be included in the list of "eligible projects"; wording be provided to require that fringe parking facilities be found consistent with various air quality regulations; an explanation be given of the roles of the Transportation Policy Board and the cognizant air pollution control agency; and attention be given to the applicability of FHWA's noise standards to mass transit projects.	A

APPENDIX V

SOURCE FOR COPIES OF EPA COMMENTS

A. Director, Office of Public Affairs, Environmental Protection Agency, 401 M Street SW., Washington, D.C. 20460.

B. Director of Public Affairs, Region I, Room 2303, John F. Kennedy Federal Building, Boston, Massachusetts 02203.

C. Director of Public Affairs, Region II, Environmental Protection Agency, Room 847, 26 Federal Plaza, New York, New York 10007.

D. Director of Public Affairs, Region III, Environmental Protection Agency, Curtis Building, 6th and Walnut Streets, Philadelphia, Pennsylvania 19106.

E. Director of Public Affairs, Region IV, Environmental Protection Agency, Suite 300, 1421 Peachtree Street, NE., Atlanta, Georgia 30309.

F. Director of Public Affairs, Region V, Environmental Protection Agency, 1 N. Wacker Drive, Chicago, Illinois 60606.

G. Director of Public Affairs, Region VI, Environmental Protection Agency, 1600 Patterson Street, Dallas, Texas 75201.

H. Director of Public Affairs, Region VII, Environmental Protection Agency, 1735 Baltimore Street, Kansas City, Missouri 64108.

I. Director of Public Affairs, Region VIII, Environmental Protection Agency, Lincoln Tower, Room 916, 1860 Lincoln Street, Denver, Colorado 80203.

J. Director of Public Affairs, Region IX, Environmental Protection Agency, 100 California Street, San Francisco, California 94111.

K. Director of Public Affairs, Region X, Environmental Protection Agency, 1200 Sixth Avenue, Seattle, Washington 98101.

[FR Doc. 74-25566 Filed 11-4-74; 8:45 am]

[FRL 289-5; OPP-32000/137]

NOTICE OF RECEIPT OF APPLICATIONS FOR PESTICIDE REGISTRATION

Data To Be Considered in Support of Applications

On November 19, 1973, the Environmental Protection Agency (EPA) pub-

lished in the FEDERAL REGISTER (38 FR 31862) its interim policy with respect to the administration of section 3(c) (1) (D) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended. This policy provides that EPA will, upon receipt of every application for registration, publish in the FEDERAL REGISTER a notice containing the information shown below. The labeling furnished by the applicant will be available for examination at the Environmental Protection Agency, Room EB-31, East Tower, 401 M Street, SW., Washington, D.C. 20460.

On or before January 6, 1975, any person who (a) is or has been an applicant, (b) believes that data he developed and submitted to EPA on or after October 21, 1972, is being used to support an application described in this notice, (c) desires to assert a claim for compensation under section 3(c) (1) (D) for such use of his data, and (d) wishes to preserve his right to have the Administrator determine the amount of reasonable compensation to which he is entitled for such use of the data, must notify the Administrator and the applicant named in the notice in the FEDERAL REGISTER of his claim by certified mail. Notification to the Administrator should be addressed to the Information Coordination Section, Technical Services Division (WH-569), Office of Pesticide Programs, 401 M Street, SW., Washington, D.C. 20460. Every such claimant must include, at a minimum, the information listed in the interim policy of November 19, 1973.

Applications submitted under 2(a) or 2(b) of the interim policy will be processed to completion in accordance with existing procedures. Applications submitted under 2(c) of the interim policy cannot be made final until the 60 day period has expired. If no claims are received within the 60 day period, the 2(c)

application will be processed according to normal procedure. However, if claims are received within the 60 day period, the applicants against whom the claims are asserted will be advised of the alternatives available under the Act. No claims will be accepted for possible EPA adjudication which are received after January 6, 1975.

APPLICATIONS RECEIVED

EPA File Symbol 5719-AN. Chacon Chemical Corp., 5245 Chakemco St., South Gate CA 90280. CHACON HOUSE PLANT INSECT SPRAY. Active Ingredients: Pyrethrins 0.056%; Rotenone 0.024%; Other cube resins 0.048%; Petroleum distillate 0.224%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA Reg. No. 239-599. Chevron Chem. Co., Ortho Div., 940 Hensley St., Richmond CA 94801. ORTHO WEED-B-GON. Active Ingredients: Isooctyl ester of 2,4-dichlorophenoxyacetic acid 17.8%; Isooctyl ester of silvex [2-(2,4,5-trichlorophenoxy) propionic acid] 8.4%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 4582-AU. Colgate-Palmolive Co., 300 Park Ave., New York NY 10022. AJAX GERMICIDAL CLEANER. Active Ingredients: Alkyl (67% C12, 25% C14, 7% C16, 1% C8+C10+C18) dimethyl benzyl ammonium chlorides 5.0%; N-Hydroxyethyl ethylene diamine triacetic acid, trisodium salt 2.5%; Sodium Carbonate 4.0%. Method of Support: Application proceeds under 2(a) of interim policy.

EPA Reg. No. 352-372. E. I. duPont de Nemours & Co., Inc., Biochemicals Dept., Wilmington DE 19898. DUPONT VYDATE L OXAMYL INSECTICIDE/NEMATOCIDE. Active Ingredients: Methyl N,N'-dimethyl-N-[(methylcarbamoyl)oxy]-1-thioxamimidate 24%. Method of Support: Application proceeds under 2(b) of interim policy.

EPA File Symbol 279-EOTA. FMC Corp., Agricultural Chemical Div., 100 Niagara St., Middleport NY 14105. SULPHUR 50 BT 2 DUST. Active Ingredients: Bacillus thuringiensis Berliner 0.064%; Sulphur 50.000%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 4931-RGU. Good-Life Chemicals, Inc., Good-Life Dr., PO Box 687, Effingham IL 62401. ROOT NOX. Active Ingredients: Copper Sulfate Pentahydrate 99.0%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2393-ETR. Hopkins Agricultural Chemical Co., PO Box 584, Madison WI 53701. HOPKINS 5% MALATHION DUST. Active Ingredients: Malathion (0,0-dimethyl dithiophosphate of diethyl mercaptosuccinate) 5%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 7115-A. Midland Chemical Corp., 400 W. 107th St., Chicago IL 60628. COLOR TILE INSTANT MILDEW REMOVER. Active Ingredients: Sodium Hypochlorite 5.0%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 5967-RGA. Moyer Chemical Co., PO Box 945, 1310 Bayshore Hwy., San Jose CA 95108. MOYER METHOXYNON 2-1. Active Ingredients: Methoxychlor, technical 20%; 0,0-diethyl 0-(2-isopropyl-6-methyl-4-pyrimidinyl) phosphorothiate 10%; Xylene 63%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 5967-RGL. Moyer Chemical Co., PO Box 945, 1310 Bayshore Hwy., San Jose CA 95108. MOYER DIAZINON NO. 5 G. Active Ingredients: 0,0-diethyl 0-(2-isopropyl-6-methyl-4-pyrimidinyl) phosphorothioate 5.0%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 7001-ENA. Occidental Chemical Co., P.O. Box 198, Lathrop CA 95330. BEST WETTABLE SULFUR. Active Ingredients: Sulfur 97%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2169-ELR. Patterson Chemical Co., 1400 Union Ave., Kansas City MO 64101. PATTERSON'S GREEN UP NUT-GRASS SPRAY. Active Ingredients: Monosodium Acid Methanearsonate 34.5%; 2,4-Dichlorophenoxyacetic Acid 9.5%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 1202-ETU. PureGro Co., 1052 W. 6th St., Los Angeles CA 90017. PUREGRO BTB 240 DUST. Active Ingredients: Bacillus thuringiensis Berliner 0.048%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 1202-ETG. PureGro Co., PUREGRO BOTRAN 6 DUST. Active Ingredients: 2,6-Dichloro-4-nitroaniline 6%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 1202-ETE. PureGro Co., PUREGRO BOTRAN SULFUR 6-25 DUST. Active Ingredients: 2,6-Dichloro-4-nitroaniline 6%; Sulfur 25%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 1202-ETR. PureGro Co., PUREGRO TOXAPHENE 8 LIQUID. Active Ingredients: Toxaphene 72.5%; Petroleum Distillate 16.0%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 9457-G. Standard Brands Paint Co., Inc., of Calif., 4300 W. 190th St., Torrance CA 90509. COPPER BOTTOM ANTI-FOULING PAINT-B. Active Ingredients: Cuprous Oxide 28.78%; Bis (Tributyltin) Oxide 5.77%; Basic Silicate White Lead 1.56%; Pine Tar 1.09%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2935-GOT. Wilbur-Ellis Co., PO Box 1286, Fresno CA 93715. RED-TOP PAR-MAL CITRUS SPRAY POWDER. Active Ingredients: Parathion 12.50%; Malathion 18.75%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2935-GOO. Wilbur-Ellis Co., BT 320 SULFUR 25 DUST. Active Ingredients: Bacillus Thuringiensis 0.064%; Sulfur 25.000%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 2935-GOI. Wilbur-Ellis Co., BT 320 DUST. Active Ingredients: Bacillus thuringiensis 0.064%. Method of Support: Application proceeds under 2(c) of interim policy.

EPA File Symbol 9639-RE. Willard Products, 70 Chemical Way, Redwood City CA 94063. WILLARD QUALITY PRODUCTS POOL CHLORINE CONCENTRATE. Active Ingredients: Sodium Dichloro-s-triazinetriene 100%. Method of Support: Application proceeds under 2(c) of interim policy.

Dated: October 25, 1974.

JOHN B. RITCH, Jr.,
Director, Registration Division.

[FR Doc.74-25565 Filed 11-4-74; 8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

[Report No. 725]

COMMON CARRIER SERVICES INFORMATION¹

Domestic Public Radio Services Applications Accepted for Filing²

OCTOBER 29, 1974.

Pursuant to §§ 1.227(b)(3) and 21.30 (b) of the Commission's rules, an application, in order to be considered with any domestic public radio services application appearing on the attached list, must be substantially complete and tendered for filing by whichever date is earlier: (a) The close of business one business day preceding the day on which the Commission takes action on the previously filed application; or (b) within 60 days after the date of the public notice listing the first prior filed application (with which subsequent applications are in conflict) as having been accepted for filing. An application which is subsequently amended by a major change will be considered to be a newly filed application. It is to be noted that the cut-off dates are set forth in the alternative—applications will be entitled to consideration with those listed in the appendix if filed by the end of the 60 day period, only if the Commission has not acted upon the application by that time pursuant to the first alternative earlier date. The mutual exclusivity rights of a new application are governed by the earliest action with respect to any one of the earlier filed conflicting applications.

The attention of any party in interest desiring to file pleading pursuant to section 309 of the Communications Act of 1934, as amended, concerning any domestic public radio services application accepted for filing, is directed to §§ 21.27 of the Commission's rules for provisions governing the time for filing and other requirements relating to such pleadings.

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

APPLICATIONS ACCEPTED FOR FILING

DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE

20573-CD-P-(9)-75, Uintah Basin Telephone Association, Inc. (KUC857). C.P. to relocate facilities operating on 152.81 & 152.66 MHz base, and 72.04 & 72.12 MHz, repeater, and add repeater facilities 72.20 MHz, at Loc. #1: 3 miles NW. of Myton Flattop Butte, Utah; change antenna system and add control facilities 75.84 MHz at Loc. #2.

¹ All applications listed in the appendix are subject to further consideration and review and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations and other requirements.

² The above alternative cut-off rules apply to those applications listed in the appendix as having been accepted in Domestic Public Land Mobile Radio, Rural Radio, Point-to-Point Microwave Radio and Local Television Transmission Services (Part 21 of the Rules).

20574-CD-P-(4)-75, David R. Williams, d/b/a Industrial Communications (KUC647). C.P. to add additional facilities operating on 152.06, 454.025, 454.050, & 454.075 MHz, at Loc. #1: Kessler Peak, 6 miles southwest of Magna, Salt Lake, Utah.

20575-CD-P-75, David R. Williams, d/b/a Industrial Communications (KWH302). C.P. to add additional facilities operating on 43.22 MHz, located at Kessler Peak, 6 miles southwest of Magna, Utah.

20576-CD-P-75, Tel-Page Corporation (KEC518). C.P. to relocate facilities operating on 43.58 MHz, located at 919 Clinton Ave. South, Rochester, New York.

20577-CD-P-75, Robert J. Stephens, d/b/a Mobile Communications (new). C.P. for a new station to operate on 454.100 MHz, to be located 2.5 mi. N. of Anadarko, Approx. 0.3 mi. E. of Hwy 281, Anadarko, Oklahoma.

20578-CD-P-75, Charles W. Wolfe (new). C.P. for new station to operate on 152.06 MHz, to be located near Logans Field, Billings, Montana.

20579-CD-P-75, Austin A. Caldwell, d/b/a Radio Service Co. (new). C.P. for new one-way station operating on 152.24 MHz, to be located on Highway 80 East & Old Linden Road, Demopolis, Alabama.

20580-CD-P-(4)-75, Mobilfone Service, Inc. (KWU326). C.P. to relocate facilities operating on 454.675 & 454.850 MHz, base, and 459.050 MHz, repeater, located ¾ mile South of Harlingen on New Hampshire Rd., Cameron, Texas (Loc. #1); and delete 454.025 MHz, control at Loc. #2: 2.5 miles North of U.S. Highway #83 on North 10th St., McAllen, Texas.

20581-CD-AL-(9)-75, Ralph C. Parker, d/b/a Ratel Communications Co. Consent to Assignment of License from Ralph C. Parker, d/b/a Ratel Communications Co., Assignor, to Mobile Phone of Texas, Inc., Assignee. Stations: KFL911, KKO341, KLB802, KQZ789, Wichita Falls, Texas; KKK709, KLB716, Abilene, Texas; KLF477, Graham, Texas; KLF556, Mineral Wells, Texas; KWH316, Sweetwater, Texas.

20582-CD-P-(2)-75, Austin A. Caldwell, d/b/a Radio Service Co. (new). C.P. for new station to operate on 152.03 & 152.21 MHz, to be located on Highway 80 East of Old Linden Road, Demopolis, Alabama.

20583-CD-P-75, South Central Bell Telephone Co. (KWH337). C.P. to add additional facilities to operate on 459.975 MHz, at Loc. #2: 904 South High Street, Columbia, Tennessee.

20584-CD-P-75, Houston Radiophone Service (KKA344). C.P. to change antenna system operating on 454.100 MHz, located at 6222 Skyline Drive, Houston, Texas.

20585-CD-P-75, Houston Mobilfone, Inc. (KKA343). C.P. to relocate facilities and change antenna system operating on 454.-200 MHz, located at 6222 Skyline Drive, Houston, Texas.

20586-CD-P-75, Radio Dispatch, Inc. (KLB701). C.P. to change antenna system operating on 454.200 MHz, located at 6222 Skyline Drive, Houston, Texas.

20587-CD-P-75, Caprock Radio Dispatch (KKJ449). C.P. to relocate facilities operating on 454.10 MHz, located at 205 West Alameda, Roswell, New Mexico (Loc. #2).

20588-CD-P-75, Caprock Radio Dispatch (KKO353). C.P. to relocate facilities operating on 72.32 MHz, control at Loc. #8: 205 West Alameda, Roswell, New Mexico.

20589-CD-P-75, Industrial Communications, Inc., d/b/a Port Arthur Mobile Phone (KRS642). C.P. to relocate facilities operating on 152.12 MHz, located at Church House Rd., 6 mi. S. of Vidor, Texas.

Major Amendment

20590-CD-P-75, The Medical Dental Bureau, Inc. (KLF512). C.P. for additional facilities at Loc. #3 to operate on 454.350 MHz, to be located 2 mi. NE. of Salem, Near Salem, Ohio.

20591-CD-P-(2)-75, Valley Telephone Co-op, Inc. (KLB559). C.P. to relocate facilities and change antenna system operating on 152.69 & 152.78 MHz, located 8 miles east of Lyford, Texas.

20592-CD-P-75, Radio Page Communications, Inc. (KME438). C.P. to replace transmitter operating on 35.22 MHz, at Loc. #3: San Pedro Hill, San Pedro, California.

20593-CD-P-(7)-75, Pacific Northwest Bell Telephone Company (KOA732). C.P. to relocate facilities operating on 152.51, 152.54, 152.63, 152.72, 152.81, base and standby, at Loc. #1: 1503 Third Avenue West, Seattle, Washington; and relocate facilities, Chg. antenna system and replace transmitter operating on 157.77, 157.80, 157.89, 157.98, & 158.07 MHz, located at 1200 Third Ave., Seattle, Washington.

20594-CD-P-75, New York Telephone Company (KTS237). C.P. to relocate facilities operating on 152.84 MHz, located at One Marine Midland Center, Buffalo, New York.

20595-CD-P-75, Ludlow Telephone Company (New). C.P. for new station to operate on 152.78 MHz, to be located 1.5 Mile NE. of Ludlow On North Hill Road, Ludlow, Vermont.

20596-CD-P-75, Mobile Radio Communications, Inc. (KUC882). C.P. to add transmitter operating on 35.58 MHz, located at 70th and Flint Road, Shawnee Village, Kansas.

20597-CD-AL-75, The Aeroflex Communications System, Inc. Consent to Assignment of License from Aeroflex Communications System, Inc., Assignor, to Tel-Air Communications, Inc., Assignee. Station: KEC924, Newton, New Jersey.

20598-CD-P-(2)-75, Ram Broadcasting of Florida, Inc. (KRS662). C.P. to relocate facilities operating on 454.675 & 454.850 MHz, located at 1510 Peachtree Street, Cocoa, Florida.

20599-CD-AL-75, Walter Britt Smith, d/b/a North Alabama Paging Co. Consent to Assignment of License from Walter Britt Smith, d/b/a North Alabama Paging Co., Assignor, to North Alabama Paging Co., Inc., Assignee. Station: KUC951, Decatur, Alabama.

20428-CD-ML-75, Airtel of California, Inc. (KMA261). M.L. to change repeater freq. from 73.38 MHz to 72.80 MHz, at Loc. #2: 4.75 miles NW. of Squaw Valley, Bear Mountain, California; and to change control freq. from 75.46 MHz to 75.42 MHz, at Loc. #4: 34 North Fresno St., Fresno, California.

20563-CD-P-(2)-75, Edward C. Smith, d/b/a Answerline Professional Telephone Service (KIY581). C.P. to change antenna system and replace transmitter operating on 75.76 MHz, repeater at Loc. #2: 2.38 mi. N. of intersection of State Hwys. 50 and 420, Christmas, Florida; and chg. antenna sys. and replace transmitter operating on 72.32 MHz, control at Loc. #3: 63 East Pine St., Orlando, Florida.

6280-C2-MP/L-72, RCA Alaska Communications, Inc. (KTR985). Mod. C.P. to change base frequency from 152.69 MHz to 152.75 MHz, located at 3rd & Main Streets, Bethel, Alaska.

425-C2-MP/L-73, RCA Alaska Communications, Inc. (KTR984). Mod. C.P. to change base frequency from 152.75 MHz to 152.72 MHz located 0.7 mi. east of Aniak Post Office, Aniak WACS, Alaska.

8879-C2-MP/L-72, RCA Alaska Communications, Inc. (KTR986). Mod. C.P. to change frequency from 152.75 MHz to 152.72 MHz, located at Cape Newenham AFS Radome, 152 mi., 183 TN from Bethel, Alaska.

7231-C2-P-73, Empire Paging Corp., amended its location to read 125 Broad Street, Elizabeth (Union), New Jersey, coordinates: 40°40'01" North Latitude, 74°12'55" West Longitude. All other particulars to remain the same as shown on the Commission's PN #643 dated April 9, 1973.

20493-C2-P-74, Two-Way Radio of Carolina Inc., Shelby, North Carolina (new), amended its frequency to 158.70. All other particulars to remain the same as listed on PN #674, dated November 12, 1973.

Corrections

20570-CD-P-(3)-73, Empire Mobilcomm Systems, Inc. (KOP306). Correct file number should read 20571-CD-P-(3)-75. All other particulars to remain the same as reported on PN #724, dated October 21, 1974.

20365-CD-P-(3)-75, Ralph C. Parker, d/b/a Ratel Communications Co. (KRS695). Correction to read C.P. to reinstate expired construction permit authorized on 152.09 MHz etc. Instead of C.P. to reinstate expired license operating on 152.09 MHz. All other particulars to remain as reported on PN #723, dated October 15, 1974.

POINT-TO-POINT MICROWAVE RADIO SERVICE

1217-CF-MP-75, American Telephone and Telegraph Company (KJM64), Silk Hope, 3 Miles SSE. of Snow Camp, North Carolina. Lat. 35°51'08" N., Long. 79°24'37" W. Mod. of C.P. to correct polarity on freq. 3790 MHz toward Hillsboro, North Carolina, from H to V on azimuth 53°33'.

1218-CF-P-75, Northwestern Bell Telephone Company (new), 11027 "I" Street, Omaha, Nebraska. Lat. 41°12'57" N., Long. 96°05'04" W. C.P. for a new station on freq. 10835V MHz, towards 118 South 19th Street, Omaha, Nebraska, on azimuth 68°15'.

1219-CF-P-75, Same (KAX45), 118 South 19th Street, Omaha, Nebraska. Lat. 41°15'32" N., Long. 95°56'28" W. C.P. to add 11365V MHz towards 11027 "I" Street, Omaha, Nebraska, on azimuth 248°21'.

1220-CF-P-75, South Central Utah Telephone Association, Inc. (new), 45 North 1st, West Escalante, Utah. Lat. 37°46'16" N., Long. 111°36'08" W. C.P. for a new station on freq. 2162V MHz towards Barney Top, Utah, on azimuth 265°53'.

1221-CF-P-75, Same (new), Barney Top, 16.5 miles West of Escalante, Utah. Lat. 37°45'19" N., Long. 111°52'27" W. C.P. for a new station on freqs. 11425H, 11665V MHz, towards Mt. Wilson, Utah, on azimuth 259°29'; 2128H MHz toward Boulder, Utah, on azimuth 66°47'; 2112V MHz towards Escalante, Utah, on azimuth 85°43'.

1222-CF-P-75, Same (new), 2 Blocks South and 1½ Blocks East of Post Office, Boulder, Utah. Lat. 37°54'30" N., Long. 111°25'16" W. C.P. for a new station on freq. 2178H MHz, towards Barney Top, Utah, on azimuth 247°04'.

1239-CF-P-75, Bell Telephone Company of Nevada (WIV56), 24.5 Miles NE. of Reno, Nevada. Lat. 39°45'20" N., Long. 119°27'39" W. C.P. to add 2165V MHz towards a new pt. of communication at Empire, Nevada, on azimuth 08°04'.

1240-CF-P-75, Same (new), 4.5 miles SSW. of Empire, Nevada. Lat. 40°30'54" N., Long. 119°19'11" W. C.P. for a new station on freq. 2120V MHz, towards Empire, Nevada, on azimuth 343°31'; 2115V MHz, towards Virginia Peak, Nevada, on azimuth 188°10'.

1241-CF-P-75, Same (new), near the intersection of "B" Street, and Fourth Street, Empire, Nevada. Lat. 40°34'46" N., Long. 119°20'41" W. C.P. for a new station on freq. 217V MHz towards Empire, Nevada, on azimuth 163°30'.

1242-CF-P-75, Western Carolina Telephone Company (KIW86), Cowee Bald, North Carolina. Lat. 35°19'36" N., Long. 83°20'07" W. C.P. to change antenna system, add freq. 10755V and 11075V MHz towards Sylva, North Carolina, on azimuth 61°20'.

1243-CF-P-75, Western Carolina Telephone Company (KIX52), 6 Allen Street, Sylva, North Carolina. Lat. 35°22'30" N., Long. 83°13'21" W. C.P. to change antenna systems on 6226.9H and 6345.5H MHz, add 11245V and 11565V MHz, towards Cowee Bald, North Carolina, on azimuth 241°20'.

1244-CF-P/L-75, Pacific Northwest Bell Telephone Company (new). Temporary. Fixed at locations of any authorized Point to Point Microwave Radio Facilities within the operating Territory of the Grantee. C.P. and Lic. to use (7) seven Portable Microwave Repeaters (3700-4200).

1245-CF-P/ML-75, New England Telephone and Telegraph Company (KGP58). In any temporary fixed location within the territory of the Grantee. C.P. and Mod of Lic. to add (2) Two Test Transmitters: (1) Western Electric KS21140 and (1) Scientific-Atlanta 1691-10/41-1-301.

1238-CF-P-75, Tower Communication Systems Corporation (WKS45), 3.20 Miles SSE of Newark, Ohio (Lat. 40°00'52" N., Long. 82°22'41" W.). C.P. to increase transmitter output power to 10 watts on transmission path (10305V MHz and 11465V MHz) toward Stoutsville, Ohio.

Corrections

4865-C1-ML-74, Southern Bell Telephone and Telegraph Company. Correct Call Sign to read: KIQ77. (All other particulars remain the same as reported on Public Notice #710 dated 7/22/74.)

LOCAL TELEVISION TRANSMISSION SERVICE

9705-CT-P/ML-75, Indiana Bell Telephone Company (KSF74), 240 North Meridian Street, Indianapolis, Indiana. Lat. 39°46'16" N., Long. 86°09'29" W., C.P. and Mod. of Lic. to replace transmitter on freq. 6330.7V and 6390.0V MHz, towards Carmel, Indiana, on azimuth 353°20'.

Major Amendments

6646-C1-P-73, Microwave Transmission Corporation (KNL77). Amendment to change frequency and polarization to 10935V MHz, station locations: Willima Hill, California.

6647-C1-P-73, Microwave Transmission Corporation (new). Amendment to change frequency and polarization to 1145V MHz. Station Location: Palo Escrito Peak, California.

(All other particulars remain same as reported on Public Notice #701 dated 5-20-74.)

Change the name of the applicant for the following applications from United Video, Inc. to Southern Pacific Communications Company:

File Numbers: 6496 thru 6514-C1-P-70, 402 thru 410-C1-P-72, 414 thru 435-C1-P-72, 3764 thru 3785-C1-P-73, 3384 thru 3385-C1-P-73, 3387 thru 3390-C1-P-73, 5555 thru 5572-C1-P-73, 6085 thru 6117-C1-P-73, 6328 thru 6330-C1-P-73, 955 thru 965-C1-P-74.

[FR Doc.74-25757 Filed 11-4-74; 8:45 am]

[Docket Nos. 20213 and 20214; File Nos. BPH-8441 and BPH-8496; FCC 74-1146]

RAM ENTERPRISES AND NORTHERN BROADCASTING CO.

Applications for Construction Permit
MEMORANDUM OPINION AND ORDER

In re applications of Ram Enterprises, Presque Isle, Maine (Requests: 96.1 mHz;

Channel No. 241; 100 kW (H&V); 1,258 feet) and Northern Broadcasting Co., Presque Isle, Maine (Requests: 96.1 MHz; Channel No. 241; 100 kW (H&V); 718 feet) for construction permit.

1. The Commission has under consideration the above-captioned and described applications which are mutually exclusive in that they seek the same channel in the same community. The Commission also has before it a "Request for Dismissal or Alternatively Petition to Deny," directed against Ram Enterprises by WDHP, Inc.

2. WDHP, Inc., the permittee of station WDHP, Presque Isle, Maine, alleges that Ram's community survey is deficient, that its financial qualifications have not been established, that the application is incomplete as filed, and that Ram Enterprises is guilty of misrepresentation and lack of candor.

3. Specifically, petitioner asserts that Ram: i) failed to provide an adequate description of the service area; ii) neglected to interview a representative group of community leaders; iii) did not distinguish between its community leader survey and general public survey; iv) failed to specify which contacts were made by telephone and which were in person; v) did not properly identify Fred Miller, interviewer; vi) did not file pre-printed questionnaires used in the survey; vii) neglected to specify the time segment, duration, and frequency of its proposed programming; and viii) did not include any public affairs programming. In May and June of 1974, Ram filed amendments consisting of detailed demographic and methodological statements, lists of representatives of community groups interviewed, identification of all interviewers, and a sufficiently detailed program proposal. Having reviewed these amendments, we find that whatever defects existed originally have now been corrected.

4. The alleged defects in the Ram financial statement include: i) failure to include a balance sheet of the applicant; ii) failure to include a bank letter evidencing the terms of an asserted loan agreement; iii) failure to include a letter of commitment from a principal of the applicant regarding stock subscriptions; and iv) failure to supply information as required by section III, paragraph 4, FCC Form 301. The amendments relevant to these allegations consist of all necessary balance sheets, letters of commitment, and other information required by section III. The financial portion of Ram's application, as amended, indicates that \$196,473 will be required to construct and operate the proposed facility for a period of one year, without revenue, itemized as follows: equipment, \$69,020; miscellaneous expenses, \$9,500; bank loan principal repayment, \$6,667; bank loan interest, \$13,750; personal loan principal repayment \$6,667; personal loan interest, \$12,750; working capital, \$78,119. To meet this requirement, Ram relies on a stock subscription of \$20,000, a bank loan of \$100,000, and a personal loan of \$100,000. Ram's balance sheet

shows subscriptions receivable of \$20,000, and the subscriber has adequate funds to meet the subscription commitment. Further, both the bank loan and the personal loan are sufficiently documented. Thus, Ram has a total of \$220,000 available to meet a \$196,473 requirement, and we find it to be financially qualified.

5. With regard to the alleged incompleteness of the Ram application, petitioner asserts that Ram failed to include among other information requested by the Commission, and equal employment opportunity program proposal and reference to a pending renewal proceeding before the Commission. A review of the relevant amendments, consisting in part of a complete equal employment opportunity program proposal, disclosure of the pending renewal, and correction of other asserted inaccuracies, indicates that all the defects deferred to by the petitioner have been corrected. WDHP, Inc., further alleges, however, that Ram Enterprises is guilty of misrepresentation and lack of candor. Specifically, WDHP asserts that Mr. Romeo Marquis, principal of Presque Isle High School and listed by Ram as a community leader interviewed, was never interviewed by anyone associated with Ram Enterprises. However, Mr. Marquis subsequently stated by affidavit that he might in fact have been contacted by a Mr. Miller, an interviewer for Ram Enterprises.

6. In addition, the petitioner asserts that Ram's present application evidences a general pattern of sloppiness, carelessness, and disregard of the Commission's rules which has allegedly characterized previous submissions by the same parties. In support of this assertion, WDHP cites the errors and omissions discussed above, and refers also to the applicant's renewal application for WEGP-AM, Presque Isle, pending at the time the petition was filed, and to a Memorandum Opinion and Order, FCC 70-659, released June 26, 1970, assessing the applicant a \$1,200 fine for "willful or repeated rule violations." These violations involved the applicant's failure to monitor and log certain technical measurements in 1967 and 1968. While the Commission does not condone this type of carelessness and disregard of its rules, there appears to be no need for a specific issue. However, the matters raised by WDHP may be considered within the context of the comparative issue specified below. Accordingly, the petition to deny will be denied.

7. Northern Broadcasting Co. [Northern] will require \$140,058 to construct and operate the proposed facility for a period of one year, without revenue, itemized as follows:

Downpayment on equipment.....	\$14,200
First-year payments on equipment with interest.....	17,600
Building.....	5,745
Miscellaneous.....	12,700
Interest on bank loan.....	17,813
Working capital.....	72,000
Total.....	140,058

To meet this requirement, Northern relies solely upon a valid \$125,000 bank

loan to two of its principals, the entire proceeds of which will be provided to the applicant. Since this is approximately \$15,000 less than the amount required, the Commission is unable to determine whether sufficient funds will be available. Accordingly, a financial issue will be specified.

8. Northern's ascertainment of community needs and problems indicates that its general public survey was conducted by Joan Michaud, Chris Darling, Carla Thibodeau, and Cheryl McCloskey. Since no additional identification of the interviewers is included, it is not clear that the requirements of question and answer 13(b) of the *Primer on Ascertainment of Community Problems by Broadcast Applicants* have been satisfied. In addition, no student leaders are included in Northern's community leaders survey. In view of the requirements of the Primer, and the Commission's recent decision in *Voice of Dixie, Inc.*, 45 FCC 2d 1027 (1974), an appropriate issue will be added.

9. Since Ram proposes a format including 40 percent religious programming, while Northern proposes general market programming, the relative need for these different types of programming will be considered under the standard comparative issue. Rocket Radio, Inc., FCC 74-952 (1974); Policy Statement on Comparative Broadcast Hearings, 1 FCC 2d 393, footnote 9 at 397 (1965).

10. Data submitted by the applicants indicate that there would be a significant difference in the size of the areas and populations which would receive service from the proposals. Consequently, for the purposes of comparison, the areas and populations which would receive primary service, together with the availability of other primary aural service (1 mV/m or greater in the case of FM) in such areas will be considered under the standard comparative issue, for the purpose of determining whether a comparative preference should accrue to either of the applicants.

11. Except as indicated by the issues specified below, the applicants are qualified to construct and operate as proposed. However, since the proposals are mutually exclusive, they must be designated for hearing in a consolidated proceeding on the issues specified below.

12. Accordingly, it is ordered, That, pursuant to section 309(e) of the Communications Act of 1934, as amended, the applications are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

1. To determine with respect to the application of Northern Broadcasting Co.:

a. Whether the applicant will have available sufficient additional funds over and above \$125,000 to meet the cost of construction and operation of the proposed facility for one year, without revenue; and

b. Whether in light of the evidence adduced pursuant to (a), above, the applicant is financially qualified to construct and operate as proposed.

2. To determine the efforts made by Northern to ascertain the community problems of the area to be served and the means by

which the applicant proposes to meet these problems.

3. To determine which of the proposals would, on a comparative basis, better serve the public interest.

4. To determine, in the light of the evidence adduced pursuant to the foregoing issues which, if either, of the applications should be granted.

13. It is further ordered, That the "Request for Dismissal or Alternatively Petition to Deny," filed by WDHP, Inc., is denied.

14. It is further ordered, That, to avail themselves of the opportunity to be heard, the applicants and respondent herein, pursuant to § 1.221(c) of the Commission's rules, in person or by attorney, shall, within 20 days of the mailing of this Order, file with the Commission in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this Order.

15. It is further ordered, That the applicants herein shall, pursuant to section 311(a) (2) of the Communications Act of 1934, as amended, and section 1.594 of the Commission's rules, give notice of the hearing, either individually or, if feasible and consistent with the rules, jointly, within the time and in the manner prescribed in such rule, and shall advise the Commission of the publication of such notice as required by section 1.594 (g) of the rules.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] VINCENT J. MULLINS,
Secretary.

[FR Doc.74-25751 Filed 11-4-74;8:45 am]

FEDERAL POWER COMMISSION NATIONAL POWER SURVEY; TECHNICAL ADVISORY COMMITTEE ON FINANCE

Notice and Agenda of Meeting

National Power Survey agenda for a meeting of the Technical Advisory Committee on Finance to be held at the Federal Power Commission Offices, 825 North Capitol Street NE., Washington, D.C., November 22, 1974, 10 a.m., Room 5200.

1. Meeting called to order by FPC Coordinating Representative.
2. Objectives and purposes of meeting.
 - A. Approval of minutes of May 23, and September 19, 1974 meetings.
 - B. Review final output of Task Force—Future Financial Requirements model.
 - C. Discussion of comments by the Executive Advisory Committee on the TAC—Finance report.
 - D. Final Committee consideration of the report.
 - E. Discussion of report publication.
 - F. Other business.
3. Adjournment.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written form, may be filed before or after the meeting, or, if oral, at the time

and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25698 Filed 11-4-74;8:45 am]

CINCINNATI GAS & ELECTRIC CO. Conference on Rates and Charges

OCTOBER 30, 1974.

Take notice that on November 7, 1974, a conference of all parties to intervene in these consolidated proceedings, the Applicant, Cincinnati Gas & Electric Company (Cincinnati G&E) and the Commission Staff will be held in the Commission's Conference Room No. 8402, at 825 North Capitol St. NE., Washington, D.C., at 10 a.m. (e.s.t.) on Thursday, November 7, 1974.

The conference will be held pursuant to § 1.18 (Conferences, Offers of Settlement) of the Commission's rules of practice and procedure (18 CFR 1.18). Customers and other interested persons will be permitted to attend, but if such persons have not previously been permitted to intervene by order of the Commission, such attendance at the conference will not be deemed to authorize such intervention as a party in the proceedings.

In accordance with the provisions of § 1.18 of the rules, all parties will be expected to come fully prepared to discuss the merits of all issues concerning the lawfulness of Cincinnati G&E's FPC Electric Tariff, Original Volume No. 1, and any procedural matters preparatory to a full evidentiary hearing, or to make commitments with respect to such issues and any offers of settlement or stipulations discussed at the conference. Failure to attend the conference shall constitute a waiver of all objections to stipulations and agreements reached by the parties in attendance at the conference.

Copies of this notice are being mailed this date to all jurisdictional customers and interested State commissions.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25816 Filed 11-4-74;8:45 am]

[Docket No. RP71-106; 1973 Phase]

CITIES SERVICE GAS CO. Compliance Filing

OCTOBER 30, 1974.

Take notice that on October 17, 1974, Cities Service Gas Company tendered for filing copies of its Report of Collections from jurisdictional Customers. The company states that its tender is made in accordance with the Commission's September 5, 1974 order in the above docket, and pursuant to Article II, section 1 of the April 24, 1974 Stipulation and Agreement.

The company also states that copies of the filing are being served on each of its jurisdictional customers, each affected state commission and each party in the above docket.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 8, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25820 Filed 11-4-74;8:45 am]

[Docket No. CP74-330]

CITY OF DRAKESBORO, KENTUCKY, AND TEXAS GAS TRANSMISSION CORP.

Extension of Procedural Dates

OCTOBER 30, 1974.

On October 29, 1974, Staff Counsel filed a motion in behalf of all parties, to extend the procedural dates fixed by Order issued October 8, 1974, in the above-designated proceedings.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Case in Chief by City of Drakesboro, Breathitt and Company, and Texas Gas Transmission Corporation, November 6, 1974.

Service of Emergency plan by Drakesboro and Texas Gas, November 6, 1974.

Hearing, December 2, 1974 (10 a.m. e.s.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25817 Filed 11-4-74;8:45 am]

[Docket No. E-9013]

DETROIT EDISON CO. Electricity Supply Agreement

OCTOBER 30, 1974.

Take notice that by letter dated September 3, 1974, The Detroit Edison Company (Detroit), tendered for filing a proposed agreement between Detroit and the Michigan Municipal Cooperative Power Pool (MMCPP). Pursuant to the above-mentioned agreement, Detroit will supply MMCPP with a block of 20 megawatts of capacity served at a 100 percent load factor at the exchange points of interconnection between Detroit and Consumers Power Company.

Waiver of the Commission's notice requirements is requested, and September 1, 1974, is offered as a proposed effective date.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington,

D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25831 Filed 11-4-74; 8:45 am]

[Docket Nos. RP72-155, RP74-57 and
PGA75-2]

EL PASO NATURAL GAS CO.
Rehearing Amending Prior Order

OCTOBER 30, 1974.

On October 10, 1974, El Paso Natural Gas Company (El Paso) filed an Application for Rehearing of the Commission's order issued in these proceedings on September 27, 1974 rejecting El Paso's proposed PGAC filing of August 16, 1974. El Paso's PGAC increases covered (1) sales under Volumes 1 and 2 and a portion of Volume No. 2A of its tariff and (2) sales under Volume No. 2A subject to the clean high pressure gas provisions.

The rejection of El Paso's PGAC rate filing resulted from the fact that the data supporting the company's filing included schedules reflecting intrastate purchases. In its application for rehearing El Paso indicates that while data reflecting intrastate contracts had been included in their PGAC filing, these purchases will not be reflected in their proposed jurisdictional rates or jurisdictional rate changes. Upon further analysis we find that, although included within El Paso's filed tariff sheets, the subject intrastate sales were not computed into the company's proposed PGAC increase. Accordingly we shall grant rehearing and modify our prior order in this docket in accordance with these findings.

El Paso has requested that in the event that the portion of their PGAC increase applicable to small producers or emergency purchases, which is in excess of the national rate levels, is suspended one day, that the proposed effective date of that portion not suspended be moved from October 1, 1974 to October 2, 1974. This would allow El Paso to collect the entire PGAC increase effective on the same day.

On October 16, 1974, Southwest Gas Corporation (Southwest) filed on a motion to modify the effective date of El Paso's PGAC filing in order to avoid irreparable injury. Southwest alleges that if El Paso's request for rehearing is granted and the grant of relief is effective October 2, 1974, as requested, it will have a retroactive ratemaking impact on

Southwest. As a result Southwest alleges that they will suffer irreparable injury because they cannot utilize deferred accounting in Nevada and thus cannot recoup any of the new El Paso PGAC charges applicable retroactively to sales between October 2, 1974 and the effective date of the Commission's order on rehearing.

To avoid the injury to Southwest and El Paso, Southwest urges that El Paso be authorized to accrue in Account No. 191 such amounts as it would have billed under its PGAC filing between October 1, 1974 and such new effective date had the PGAC filing been approved prior to October 1, 1974.

On October 25, 1974, El Paso submitted an Answer to Southwest's Motion of October 16, 1974. El Paso in stating that they were not unresponsive to Southwest's problem, proposed the following alternative to Southwest's Motion. El Paso suggests:

(1) As to all jurisdictional customers to whom El Paso renders service under the above-referenced rate schedules, the PGAC adjustment in rates shall be effective as of the date proposed in the October 10, 1974 Application for Rehearing;

(2) As to Southwest, El Paso shall defer collection of those amounts that are due from Southwest pursuant to the PGAC rate adjustment during the period beginning with the effective date proposed for such adjustment in the October 10, 1974 Application for Rehearing and ending on the date of the Commission's order on rehearing; and

(3) El Paso shall recover the amounts deferred by adding equal installments to the billings for the months of December, 1974, and January and February, 1975.

We note that in the calculation of the PGA rate adjustment, a portion of the costs reflect the effect of small producer and emergency purchases which are in excess of the national rates established by Opinion No. 699.¹ Therefore, El Paso's proposed rates have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or otherwise unlawful. Accordingly, we shall accept the proposed rate change for filing and suspend it for one day, until October 2, 1974, when it shall be permitted to become effective, subject to refund. With regard to the question of small producer purchases, we note that the Supreme Court has recently remanded the small producer rulemaking, Order No. 428, 45 FPC 454 (1971), in order for the Commission to enunciate the standards it will apply in determining the justness and reasonableness of the prices for small producer purchases.² As to the emergency purchases discussed above, we note that the standards the Commission must use in determining the justness and reasonableness of the prices for emergency purchases is presently the

subject of court action.³ We believe, therefore, that it would be premature to establish a hearing schedule in this docket at this time.

With the exception of those costs pertaining to small producer purchases and emergency purchases in excess of the national rate, we find that El Paso's claimed increased costs contained in its filing are in accordance with the standards set forth in Docket No. R-406 and are fully justified. Therefore, in light of El Paso's request that all of its PGA increase become effective on October 2, 1974, we shall limit El Paso's refund liability to that portion of its PGA rate increase made effective October 2, 1974, which pertains to that portion of small producer and emergency purchases reflected in the filing in excess of the national rates prescribed in Opinion No. 699, and approve, without refund liability, the remaining portion of El Paso's PGA rate increase.

Our review of El Paso's proposal to resolve the billing problem of Southwest Gas, which is set forth in El Paso's October 25, 1974, pleading in this proceeding, indicates that it is in the public interest and should therefore be adopted.

The Commission finds: (1) Good cause exists to grant rehearing and modify our order of September 27, 1974, as hereinafter ordered.

(2) It is necessary and appropriate in the public interest and to aid in the enforcement of the Natural Gas Act that El Paso's proposed PGA increase filed on August 16, 1974, be accepted for filing, suspended for one day, and permitted to become effective, subject to refund, as of October 2, 1974, as hereinafter ordered and conditioned.

(3) The claimed increased costs, other than those costs relating to small producers and emergency purchases have been reviewed and found fully justified and in compliance with the standards set forth in Docket No. R-406.

The Commission orders: (A) El Paso's application for rehearing is hereby granted and our September 27, 1974, order is hereby amended as hereinafter provided.

(B) El Paso's August 16, 1974, PGA filing is hereby accepted for filing, suspended for one day, and permitted to become effective, subject to refund, as of October 2, 1974, pending further order of the Commission, subject to the provisions of Ordering Paragraph C below and subject to the condition that El Paso shall defer collection of those amounts that are due from Southwest Gas from October 2, 1974 until the date of this order under El Paso's PGAC rate adjustment and shall subsequently recover such amounts from Southwest Gas by adding equal installments to the billing for Southwest Gas for the months of December, 1974 and January and February, 1975.

¹ Issued June 21, 1974, in Docket No. R-389B.

² Federal Power Commission v. Texaco, Inc., et al. Docket Nos. 74-1490 and 72-1491, Opinion Issued June 10, 1974.

³ Consumer Federation of America v. F.P.C., CADC, Docket No. 73-20009, petition filed September 21, 1973.

(C) El Paso's refund liability in this proceeding shall be limited to that portion of its August 16, 1974, PGAC increase made effective as of October 2, 1974, which pertains to that portion of small producer and emergency purchases reflected in the filing in excess of the national rates prescribed in Opinion No. 699. The remainder of the August 16, 1974, filing is approved without refund liability.

(D) The Secretary shall cause prompt publication of this order in the *FEDERAL REGISTER*.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25836 Filed 11-4-74;8:45 am]

[Docket Nos. RP74-22, RP74-23]

EL PASO NATURAL GAS CO. ET AL.
Extension of Time

OCTOBER 30, 1974.

In the matter of El Paso Natural Gas Company, Docket No. RP74-22; El Paso Natural Gas Company and Northwest Pipeline Corporation, Docket No. RP74-23.

On October 23, 1974, El Paso Natural Gas Company filed a motion to extend the date for filing briefs on exceptions and briefs opposing exceptions fixed by Order issued September 27, 1974, in the above-designated matter. The motion states that all parties have been contacted and have no objections.

Upon consideration, notice is hereby given that the date for filing briefs on exceptions is extended to November 29, 1974, and the date for filing briefs opposing exceptions is extended to December 9, 1974.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25818 Filed 11-4-74;8:45 am]

[Docket No. E-9027]

IDAHO POWER CO.

Filing Supplement to Interconnection Agreement

OCTOBER 30, 1974.

Take notice that on September 19, 1974, the Idaho Power Company (IPC) tendered for filing a service schedule supplement to the interconnection agreement between itself, the Montana Power Company and Utah Power & Light Company. IPC requests that its filing be designated as Supplement No. 15 to IPC Rate Schedule FPC No. 15 which cancels and supersedes Supplement No. 13 to IPC Rate Schedule FPC No. 15. The tendered rate schedule provides that an exchange ratio other than one-for-one may be established by mutual agreement in the event the cost of power delivered or the cost of replacement power is different than the settlement rate for interchange energy.

IPC requests waiver of the Commission's notice requirements, thus making

July 10, 1974, the effective date of proposed Supplement No. 15.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25830 Filed 11-4-74;8:45 am]

[Docket No. RI74-188]

INDEPENDENT OIL AND GAS ASSOCIATION OF WEST VIRGINIA
Certification of Proposed Settlement Agreement

OCTOBER 30, 1974.

Take notice that on October 25, 1974, the Presiding Administrative Law Judge certified to the Commission a proposed settlement agreement in the above referenced docket. The record of the proceeding was also certified for the Commission's use in reviewing the proposed settlement. The proposed settlement would resolve all outstanding issues. Attached to the settlement proposal is a motion requesting that the settlement proposal be certified to the Commission.

Any person desiring to be heard or to protest said settlement agreement should file comments with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, on due on or before November 6, 1974. Replies to comments are due on or before November 18, 1974. Comments and replies to comments will be considered by the Commission in determining the appropriate action to be taken. Copies of this agreement are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25829 Filed 11-4-74;8:45 am]

[Project No. 1413]

ISLAND PARK RESORTS, INC.
Issuance of Interim License

OCTOBER 30, 1974.

On June 10, 1974, Island Park Resorts, Inc., Licensee for Project No. 1413, located on the Buffalo River in Fremont County, Idaho, filed an application for a new license under the Federal Power Act (16 U.S.C. § 791 et seq.) and Commission

regulations thereunder (Part 4 and §§ 16.12-16.13).

The license for Project No. 1413 was issued effective November 1, 1964 for a period ending October 31, 1974. In order to authorize continued operation of the project pursuant to section 9(b) of the Administrative Procedure Act (5 U.S.C. § 558(c)) pending completion of Licensee's application and Commission action thereon, it is appropriate and in the public interest to issue an interim license to Island Park Resorts, Inc. for continued operation and maintenance of Project No. 1413.

Take notice that an interim license is issued to Island Park Resorts, Inc. (Licensee) under section 9(b) of the Administrative Procedure Act for the period November 1, 1974, to October 31, 1975, or until the issuance of a new license for the project, whichever comes first, for the continued operation and maintenance of the Project No. 1413, subject to the terms and conditions of its present license.

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25835 Filed 11-4-74;8:45 am]

[Docket No. E-9039]

NORTHERN STATES POWER CO.
Interchange Agreement

OCTOBER 30, 1974.

Take notice that on September 27, 1974, the Northern States Power Company (NSP) tendered for filing an interchange agreement between itself and Dairyland Power Cooperative (DPC).

The agreement sets forth capacity transactions extending through October, 1980. NSP will sell capacity to DPC until such time as the Alma No. 6 Generating Unit becomes operational. After Alma No. 6 is operational, DPC will sell an equivalent number of megawatts to NSP.

An effective date of November 1, 1974, is requested in accordance with the terms of the tendered agreement.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25833 Filed 11-4-74;8:45 am]

[Docket Nos. RP72-154, CP73-332]

NORTHWEST PIPELINE CORP.

Order Granting Motion for Consolidation and Expedited Decision Amending with Condition Import Authorizations, Accepting PGA Rate Increase with Condition, Granting Waiver and Petitions To Intervene

OCTOBER 30, 1974.

On October 4, 1974, Northwest Pipeline Corporation (Northwest) tendered for filing two Applications to Amend Its Import Authorization for the Importation of Natural Gas from the Dominion of Canada and a revised sheet to its FPC Gas Tariff, Original Volume No. 1¹ to reflect increases in its cost of purchased gas. Concurrently, Northwest filed a Motion for Consolidation and Expedited Decision. The two Applications to Amend the Import Authorizations relate to imports at the Sumas, Washington and Kingsgate, British Columbia import points.² Northwest seeks authorization pursuant to section 3 of the Natural Gas Act to continue to import natural gas at these two import points at the price of \$1 per Mcf pursuant to a decision of the Government of the Dominion of Canada. In its rate increase filing, Northwest seeks to track this increase in its cost of purchased gas from its Canadian supplier, Westcoast Transmission Company. On October 18, 1974, Northwest filed an amendment and substitute tariff sheet³ to its October 4 filing to reflect a change in the effective date of the increased price for gas it purchases from Westcoast pursuant to Westcoast's Export License GL-4. This rate change will result in an annualized increase in rates of \$121,463,362. The proposed effective date is November 1, 1974.

Notice of the Petitions to Amend the Import Authorization was issued October 10, 1974. Notice of the proposed change in rates was issued October 15, 1974. Protests and petitions to intervene were filed by Michigan Wisconsin Pipeline Company, Colorado Interstate Gas Company and Cascade Natural Gas Company, Southwest Gas Corporation, (Southwest) Sierra Pacific Power Company, (Sierra Pacific) and the Public Service Commission of Nevada submitted protests by telegrams received October 15, 1974. These telegrams protested the request for waiver of the 45 day notice requirement of Northwest's PGA clause and suggested a December 1, 1974, effective date for the increase. This request is based on the stated inability of Southwest and Sierra Pacific to obtain approval by the Nevada Commission prior to December 1, 1974, for increases in their rates occasioned by Northwest's proposed increase.

Northwest stated that the amendments to its import authorizations are not inconsistent with the public inter-

est because they will permit Northwest to continue to import up to 860 MMcf of natural gas per day at the two import points. Northwest knows of no other supply of natural gas available in the magnitude of the volumes it imports at these two points. The requested amendments and the purchased gas cost adjustment increase are the result of a decision by the Canadian Government⁴ announced on September 20, 1974, by Canada's Minister of Energy, Mines and Resources directing the NEB to amend existing export licenses to establish a border price of not less than nor greater than \$1.00 per Mcf. Pursuant to the decision, this price is to become effective, in the case of Northwest, on November 1, 1974, for imports pursuant to Westcoast's license GL-41, and January 1, 1975 under License GL-4.

Under the terms of Northwest's PGA provision, Northwest may file to track increases in purchased gas costs semi-annually, on October 1 and April 1. Northwest requests waiver of §§ 16.4 and 16.8 of its tariff and the Commission's regulations to permit this rate increase to become effective November 1, 1974. Northwest also requests special permission pursuant to § 154.66 of the Commission's Regulations in order to permit this change in a tariff which has been suspended.

Northwest's Motion for Consolidation and Expedited Decision requests that the Commission consolidate for decision the two Applications for Amendment and the PGA rate increase. Northwest further requests expedited decision pursuant to § 1.32 of the Commission's rules of practice and procedure. We believe that, since no hearing has been requested, consolidation and expedited disposition of this matter are appropriate.

Our review of Northwest's request for amended import authorization indicates that the continued importation of this gas and the amended authorization requested is consistent with the public interest, subject, however, to the conditions that any further increase in the price Northwest is required to pay will require further amendment to its import authorization. In its October 18 filing, Northwest included the NEB's orders pursuant to the decision of the Governor in Council directing that the export licenses be amended.

Our review of the PGA filing indicates that, except as waiver of the notice requirements and the granting of a November 1, 1974 effective date are requested, the increase is consistent with the provisions of Northwest's FPC Gas Tariff Original Volume No. 1. We believe that granting waiver of the requirement that Northwest's PGA rate adjustments be effective on October 1, but permitting the proposed rate increase to become effective 45 days after the filing of this rate increase on November 18, 1974, is in the

public interest. Otherwise, Northwest would be required to record the amounts paid to Westcoast in its unrecovered purchased gas cost account until April 1, 1975, at great cost of Northwest in light of the magnitude of this increase. The regulations contemplate that rate changes be filed to coincide with pipeline supplier rate changes. Requiring adherence to the 45 day notice requirement is consistent with one purpose of the 45 day notice requirement promulgated by Order No. 452,⁵ to allow the pipeline companies' customers to adjust their rates. Problems with adjustments after this 45 day notice period relate to matters outside our jurisdiction and we cannot defer our determination of the appropriateness of good cause for waiver of our regulations or the requirements of a jurisdictional company's tariff to, nor can we impose a greater notice requirement than is required by law or regulation because of the difficulties customers of a filing company may have in obtaining approval of the appropriate state regulatory agency to pass on rate increases which we have approved.⁶ The amounts Northwest is required to pay between November 1 and November 17, 1974, may be recorded in its unrecovered purchased gas cost account. Northwest may then file to recover these costs in its next FGA rate increase.

The Commission finds: (1) Northwest's authorizations for the importation of natural gas at the Sumas, Washington and Kingsgate, British Columbia import points should be amended to permit Northwest to continue to import natural gas at these two points at a price of \$1.00 per Mcf, effective November 1, 1974 and January 1, 1975, as hereinafter ordered and conditioned, as such importation has been shown to be consistent with the public interest.

(2) It is necessary and proper in the public interest that Northwest's proposed rate increase should be accepted for filing and permitted to become effective 45 days after this rate increase was filed, on November 18, 1974, as hereinafter ordered and conditioned.

(3) Good cause exists to permit the intervention of the above mentioned petitioners to intervene.

(4) No request for hearing having been received, good cause exists to grant Northwest's Motion for Consolidation and Expedited Decision.

(5) Good cause exists to grant waiver of the provisions of Northwest's purchased gas adjustment clause to permit the proposed tariff sheets to become effective November 18, 1974.

(6) Good cause does not exist to grant waiver of § 154.38(d)(4)(v) and § 16.8 of Northwest's tariff requiring 45 days notice for a change in rates pursuant to its PGA clause.

¹ Third Revised Sheet No. 10.

² These imports are pursuant to Westcoast Transmission Company's export licenses GL-41 and GL-4.

³ Substitute Third Revised Sheet No. 10.

⁴ The NEB had earlier submitted its Report to the Governor in Council pursuant to Section 11A of the NEB's Regulations.

⁵ 47 FPC 1049 (1972) at 1052.

⁶ See, Southern Natural Gas Company, Docket Nos. RP73-64, et al., Order Denying Rehearing issued July 5, 1974.

(7) Good cause exists to grant Northwest special permission to amend its tariff currently subject to suspension, pursuant to § 154.66 of the regulations.

The Commission orders: (A) Pursuant to the authority of the Natural Gas Act, particularly section 3 thereof, Northwest's import authorization for imports of natural gas at the Sumas and Kingsgate import points is hereby amended to permit Northwest to continue to import natural gas at these points at the price of \$1.00 per Mcf, effective November 1, 1974, and January 1, 1975, as hereinafter ordered and conditioned.

(B) Any price Northwest is required to pay Westcoast in excess of \$1.00 per Mcf will require further amendment to Northwest's import authorizations.

(C) Pursuant to the authority of the Natural Gas Act, particularly Sections 4 and 5 thereof, Northwest's proposed revised tariff sheet is accepted for filing and permitted to become effective November 18, 1974.

(D) Northwest may include the increased payments it makes for gas between November 1 to November 17, 1974, in its unrecovered purchased gas cost account and may file to recover such amounts in a filing to be effective on its "adjustment date" next following the issuance of this order.

(E) The above mentioned petitioners to intervene are hereby permitted to intervene in this proceeding, subject to the rules and regulations of the Commission: *Provided, however,* That the participation of such intervenors shall be limited to matters affecting the rights and interests specifically set forth in the respective petitions to intervene; *And provided, further,* That the admission of such intervenors shall not be construed as recognition that they or any of them might be aggrieved because of any order or orders issued by the Commission in this proceeding.

(F) Northwest's Motion for Consolidation and Expedited Decision is hereby granted.

(G) Waiver of § 154.38(d) (4) (v) of the Commission's regulations and the notice requirements of Northwest's FPC Gas Tariff is hereby denied.

(H) Waiver of the requirement in Northwest's tariff that rate changes be made on October 1 and April 1 is hereby granted.

(I) Permission to amend Northwest's tariff currently under suspension is hereby granted.

(J) The Secretary shall cause prompt publication of this order in the *FEDERAL REGISTER*.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25826 Filed 11-4-74;8:45 am]

[Docket No. RP74-95]

NORTHWEST PIPELINE CORP.

Extension of Procedural Dates

OCTOBER 30, 1974.

On October 22, 1974 Staff Counsel filed a motion to extend the procedural dates

fixed by Order issued June 28, 1974, in the above-designated matter. The motion states that all parties have been notified and have no objections.

Notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Staff's Testimony, March 14, 1975.
Service of Intervenor's Testimony, March 28, 1975.

Service of Company's Testimony, April 11, 1975.

Hearing, April 22, 1975 (10 a.m. e.d.t.).

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25819 Filed 11-4-74;8:45 am]

[Docket No. E-9015]

PUBLIC SERVICE ELECTRIC AND GAS CO. ET AL.

Filing Standard Practice Agreement

OCTOBER 30, 1974.

In the matter of Public Service Electric and Gas Co., Philadelphia Electric Co., Pennsylvania Power & Light Co., Baltimore Gas and Electric Co., Potomac Electric Power Co., Pennsylvania Electric Co., Metropolitan Edison Co., Jersey Central Power & Light Co.; Docket No. E-9015.

Take notice that on September 9, 1974, the Office of the Pennsylvania-New Jersey-Maryland Interconnection (PJM) entered for filing on behalf of the above referenced utilities a new Standard Practice Agreement dated March 26, 1974. The proposed standard practice provides for the sharing among the PJM Companies of amounts received by PJM for transmission service charges for deliveries of fuel conservation energy by PJM for other systems.

It is requested that the Standard Practice Agreement be assigned an effective date of January 1, 1974.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25832 Filed 11-4-74;8:45 am]

[Docket No. RP75-23]

TEXAS EASTERN TRANSMISSION CORP.

Proposed Changes in FPC Gas Tariff

OCTOBER 30, 1974.

Take notice that Texas Eastern Transmission Corporation (TETCO) on October 15, 1974, tendered for filing proposed changes in its FPC Gas Tariff, Fourth Revised Volume No. 1, the following sheet:

Original Sheet No. 14E

TETCO states the purpose of the above sheet is to enable Texas Eastern to track the cost of synthetic natural gas (SNG), proposed to be purchased from Algonquin Gas Transmission Company, during the period November 1, 1974-March 31, 1975. TETCO further states that such proposed purchases of SNG would be made in daily quantities of 14,012 dth/d during the month of November, 1974, and 12,425 dth/d during the period December 1, 1974-March 31, 1975, at a projected total cost of \$7,659,060 for the five-month period. The proposed effective date of the above tariff sheet is November 1, 1974. TETCO requests waiver of the Commission's notice requirements in order to permit the proposed rate to become effective without refund.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8, 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 6, 1974. All such petitions will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25834 Filed 11-4-74;8:45 am]

[Docket No. RP73-65 PGA75-2]

COLUMBIA GAS TRANSMISSION CORP.

Proposed Changes in Rates Pursuant To Purchase Gas Adjustment Provision

OCTOBER 29, 1974.

Take notice that Columbia Gas Transmission Corp. (Columbia) tendered for filing on October 16, 1974, Fifteenth Revised Sheet No. 16 and Seventh Revised Sheet No. 64B of its FPC Gas Tariff, Original Volume No. 1 Columbia states that these revised tariff sheets contain a proposed change in rates pursuant to its purchase gas adjustment provision.

Columbia states that the increased purchase gas costs result from the proposed increases in rates filed by its pipeline suppliers as follows: Panhandle Eastern Pipe Line Company's PGA Filing at Docket No. RP73-36, filed to become effective December 1, 1974; Texas Eastern Transmission Corporation's PGA Filing at Docket No. RP74-41, filed to

become effective November 2, 1974; Texas Gas Transmission Corporation's PGA Filing at Docket No. RP72-156, filed to become effective November 2, 1974.

Columbia states that if the rates of its suppliers are modified prior to their respective effective date, Columbia will adjust the rates proposed in this filing.

Columbia requests the effective date of December 1, 1974.

According to Columbia, copies of the filing were served upon each of its jurisdictional customers and interested state commissions.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 7, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25715 Filed 11-4-74; 8:45 am]

[Docket No. RP75-25]

COLUMBIA GAS TRANSMISSION CORP., ET AL.

Notice of Complaint

OCTOBER 29, 1974.

Take notice that on October 18, 1974, Columbia Gas Transmission Corp. (Complainant), 1700 MacCorkle Ave. S.E., Charleston, West Virginia 25314, filed in Docket No. RP75-25 a complaint pursuant to § 1.6 of the Commission's rules of practice and procedure (18 CFR 1.6) alleging that Allied Chemical Corp. (Allied); Petrofunds, Inc. (Petrofunds); Oslas Biller (Biller); Sunny South Oil and Gas, Inc. (Sunny South); James R. Moffett (Moffett); W. K. McWilliams, David K. McWilliams, Penny McWilliams Polen, Jennifer McWilliams Cantrelle, Patrick T. McWilliams, Paul C. McWilliams (McWilliams Group); B. M. Rankin, Jr., Richard S. Rankin (Rankin Group); and Mid-Continent Supply Co. (Mid-Continent) (collectively Defendants) have violated the Natural Gas Act and the Regulations thereunder by participating in a scheme wrongfully to deprive Complainant of its contractual share of gas produced and to be produced from Sections 84 and 85, Township 17 South, Range 16 East, Terrebonne Parish, Louisiana, all as more fully set forth in the complaint which is on

file with the Commission and open to public inspection.¹

Complainant claims that Defendants own varying working interests in sections 84 and 85 and that Defendants must sell all natural gas produced therefrom to Complainant, which has exclusive rights to purchase said gas. Complainant relates that the original owners of mineral rights (Mineral Owners)² under sections 84 and 85 leased to Union Producing Company (Union) and Shell Oil Company (Shell) exclusive working interest rights to produce natural gas from sections 84 and 85, respectively, subject to $\frac{1}{2}$ cash royalties in each lease. Complainant further relates that United Fuel Gas Company (United) contracted with Weiner, et al. (successors to Union), for exclusive rights to buy all gas produced from section 84 without any limitation as to the depth at which such gas might be found.³ Complainant states that a similar contract was executed between United and Shell as to gas purchase rights from section 85.⁴ Complainant points out that both of said contracts for the sale of gas to United provide that seller must give buyer prior notice of seller's intent to surrender its lease. Continuing, Complainant relates that sometime prior to October 29, 1973, certain of the Defendants (Moffett, McWilliams Group, Rankin Group, and Mid-Continent (Sections 84 and 85 Defendants)) succeeded to the working interests in sections 84 and 85. Complainant states that effective July 1, 1971, it succeeded by merger⁵ to the exclusive rights of United to buy gas from sections 84 and 85.

Complainant alleges that Defendants, led by Allied,⁶ have participated in a scheme designed to deprive Complainant of its rightful share of gas from sections 84 and 85 while unjustly enriching Defendants, which scheme has been carried out substantially as follows:

On or about October 29, 1973, while gas from Sections 84 and 85 was being sold

¹Complainant states that concurrently with the instant filing it filed in the U.S. District Court of the Southern District of Texas, Houston Division, a civil complaint against Defendants and other persons praying for both equitable relief and damages of \$1,000,000.

²Emily Wylie Keenan, Frances Wylie Condit and Evelyn Wylie Burton, the Mineral Owners, are included as Defendants in Complainant's civil suit.

³Sales by Weiner, et al., and Shell were authorized by Commission order issued December 15, 1954, in Docket Nos. G-4079 and G-4290, respectively.

⁴By order issued March 10, 1971 (45 FPC 398) Complainant was authorized to acquire and operate the natural gas facilities, inter alia, of United.

⁵Complainant claims that Allied had dishonored certain provisions of section 85 Gas Purchase Contract prior to initiating the alleged scheme set forth herein by refusing to sell gas to Complainant; but, on that occasion Allied was constrained to sell said gas to Complainant when Complainant threatened Commission action.

to Complainant, the sections 84 and 85 Defendants unlawfully and without notice to Complainant purported to surrender their sections 84 and 85 leases. On or about the same day, by separate agreements, Mineral Owners leased to W. O. Toce (Toce) the exclusive rights to produce and sell gas underlying sections 84 and 85 from depths to 10,600 feet (shallow gas lease) and from depths below 10,600 feet (deep gas lease). In consideration for Mineral Owners' part in the scheme a $\frac{1}{2}$ royalty was retained under the leases—rather than the $\frac{1}{2}$ royalty under the original leases. Toce then assigned his interest in said shallow gas lease to section 84 Defendants in varying proportions and, in turn, section 84 Defendants assigned part of their interest to the other Defendants (Allied, Petrofunds, Biller and Sunny South) in varying proportions. Further, Toce assigned part interest in said deep gas lease to Allied which, in turn, assigned a portion of its interest to Petrofunds, Biller and Sunny South in varying proportions.

Complainant alleges that, despite Defendants' aforementioned obligation to notify Complainant prior to surrender of the sections 84 and 85 leases, the foregoing scheme was carried out without Complainant's knowledge.

Complainant states that notwithstanding that all gas produced and to be produced from sections 84 and 85 is committed to Complainant and its wholesale market requirements, Defendants have unlawfully denied any legal obligation to deliver to Complainant any gas produced from depths below 10,600 feet under sections 84 and 85. Complainant further states that its demands to be served have been ignored or unequivocally rejected by Defendants, culminated by Allied's threat on October 11, 1974, to sell gas produced under the deep gas lease in the intrastate market. Complainant maintains that, although Defendants acknowledge their duty to deliver gas to 10,600 feet under sections 84 and 85, Defendants deny any obligation to Complainant from a new section 85 well which will produce gas from depths both above and below 10,600 feet.

Complainant states that Defendants' unlawful diversion of the gas from sections 84 and 85 at depths below 10,600 feet will aggravate Complainant's current gas supply shortage, and the cost to replace such diverted gas will be high in terms both of time and money.

Complainant seeks, after formal hearing, to have Defendants' alleged wrongful acts voided and enjoined by the Commission.

Any person desiring to be heard or to make any protest with reference to said

⁶By orders issued September 19, 1974, and June 6, 1974, in Docket No. RP72-89 the Commission has approved Complainant's curtailment plan to allocate Complainant's gas supply shortfall among its public utility customers.

complaint should on or before November 22, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25713 Filed 11-4-74; 8:45 am]

[Docket No. E-9002]

COMMONWEALTH EDISON CO.
Proposed Rate Increases, Etc.

OCTOBER 29, 1974.

On August 30, 1974, Commonwealth Edison Company (ComEd) tendered for filing proposed changes¹ in its FPC Electric Service Tariff, Rate 78 to become effective October 30, 1974. The proposed changes would increase the rates and charges for electric service to seven municipalities² which purchase wholesale electricity from ComEd and would result in an estimated revenue increase of \$3,940,000 or 50.1% based on the 12-month period ending October 31, 1974.

ComEd states that the rate increase is required due to continuing increases in cost of service, increases in wages and other operation and maintenance expenses, and the increased cost of new capacity.

Notice of ComEd's filing was issued on September 11, 1974, with comments, protests and petitions to intervene due on or before September 23, 1974.

On September 20, 1974 a motion to reject and petition to intervene was filed by six cities whose rates will be increased.³ The Cities filed on September 23, 1974 a supplemental motion to reject, protest, petition to intervene, or in the alternative request for a full term suspension. The Cities allege that the filing by ComEd should be rejected because (a) it does not comply with § 35.13(b) (4) (iii) of the Commission's regulations which requires Period I data to be supplied for the most recent 12 months that data is available; (b) the demand ratchet and minimum bill provision is unjust, unreasonable, unduly discriminatory and contrary to national energy policy; (c) the rate increase violates the anti-discrimination provisions in the Clayton Act

and Federal Power Act by creating a serious price squeeze between ComEd's wholesale and retail customers; (d) the proposed rate is excessive and not justified on known 1973 costs; and (e) ComEd's fuel clause attempts to bind the Commission to the cost of fuel as determined by the Illinois Commerce Commission's Uniform System of Accounts and not according to the Commission's Regulations.

In the event the Commission does not reject ComEd's August 30, 1974 filing, the Cities request in the alternative that the Commission suspend the proposed rate increase for five months in order to permit them sufficient time to adjust their rates to reflect the increase and to avoid a serious cash-flow problem.

On October 11, 1974, ComEd filed an answer to the Cities' motion to reject and petition to intervene. ComEd stated it had no objection to the Cities' petition to intervene. However, ComEd argued that rejection would be erroneous on the ground it had not complied with § 35.13 (b) (4) (iii) since ComEd had filed Period I data for the most recent period the data was available. ComEd further argued that Cities' other allegations were substantive and therefore proper issues for a hearing and not cause for an outright rejection. ComEd stated that the proposed rate increase should not be suspended since a suspension would result in ComEd's continuing to realize a very low rate of return. ComEd further pointed out that it had filed its proposed rate increase 60 days prior to its requested effective date and that the Cities therefore had more than the required notice period to anticipate adjusting its rates.

With respect to the Cities' allegation concerning ComEd's fuel adjustment provision⁴ we note that ComEd's instant filing contains no change in its presently effective fuel adjustment provision which has already been approved in a prior proceeding.⁵ Our review of the provision and of our prior decision reveals that the question of the proper determination of fuel costs was not a litigated issue therein. No party addressed itself to that specific issue. Our view of ComEd's currently effective fuel adjustment provision indicates it may not be in conformance with § 35.14(a) (2) of our regulations which provides that the base cost of fuel "shall include no items other than those on Account 151 of the Commission's Uniform System of Accounts." Because ComEd's fuel adjustment clause provides that the cost of fuel shall be determined in accordance with the Uniform System of Accounts prescribed by the Illinois Commerce Commission, the question arises as to the propriety of the treatment of costs in the provision pres-

ently in effect. We note further that ComEd's presently effective provision reflects total system losses rather than wholesale losses. These two issues which bear on the justness and reasonableness of ComEd's fuel adjustment provision require this Commission to institute an investigation under section 206 of the Federal Power Act. The investigation will be limited to an inquiry into whether the calculation of the base cost in ComEd's fuel adjustment provision conforms to § 35.14(a) (2) of our regulations and whether ComEd's fuel adjustment provision should be modified to reflect wholesale rather than total system losses.

Because it is beyond our statutory authority to tie jurisdictional wholesale rates to non-jurisdictional retail rates⁶ we see no purpose to be served in proceeding with the Cities' discrimination allegation. The intervention of the Cities will therefore be limited to the other issues presented in ComEd's proposed rate increase.

Our review of ComEd's August 30, 1974 filing and the other issues raised therein shows the proposed changes in rates have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory, preferential or otherwise unlawful. Upon this review of ComEd's filing and the pleadings submitted in response thereto, we find it to be in the public interest to suspend ComEd's filing for a period of one day and establish hearing proceedings to determine the justness and reasonableness of the proposed rates. We therefore deny the Cities' request for a five-month suspension.

The Commission finds:

(1) It is necessary and appropriate in the public interest, and to aid in the enforcement of the provisions of the Federal Power Act that the Commission enter upon a hearing concerning the lawfulness of the proposed rates and charges contained in Commonwealth Edison Company's FPC Electric Service Tariff Rate 78 and that such proposed changes be suspended as hereinafter ordered.

(2) It is necessary and appropriate in the public interest, and to aid in the enforcement of the Federal Power Act that the Commission enter upon a section 206 investigation to determine whether ComEd's presently effective fuel adjustment provision is just and reasonable in light of its reflection of total system losses rather than wholesale losses, and to establish whether ComEd's calculation of the base cost of fuel is in conformance with § 35.14(a) (2) of the regulations.

(3) Participation by the Cities in this proceeding may be in the public interest.

¹ Southern California Edison Company, Docket No. E-8176, order issued September 21, 1973, rehearing denied November 2, 1973; Indiana and Michigan Electric Company, Docket No. E-7740, order issued November 23, 1973; Commonwealth Edison Company, Docket No. E-7578, et al., Opinion Nos. 681 and 681A, issued January 7, 1974 and March 6, 1974.

¹ 6th Revised Sheet No. 1 of Rate 78, FPC Electric Tariff.

² The Cities of Batavia, Naperville, Rock Falls, Winnetka, Geneva, Rochelle, and St. Charles, Illinois.

³ The Cities of Batavia, Geneva, Naperville, St. Charles, Rochelle, and Rock Falls, Illinois.

⁴ 1st Revised Sheet No. 21, FPC Electric Tariff.

⁵ Opinion Nos. 681 and 681A, issued January 7, 1974 and March 6, 1974, approving in part the Initial Decision of the Presiding Administrative Law Judge, November 29, 1972.

(4) The disposition of this proceeding should be expedited in accordance with the procedure set forth below.

The Commission orders: (A) Pursuant to the authority of the Federal Power Act, the Commission's rules of practice and procedure and the regulations under the Federal Power Act (18 CFR, Chapter I) a section 206 investigation is hereby instituted, and consolidated with the present proceeding, to determine whether ComEd's presently effective fuel adjustment provision is just and reasonable in its reflection of losses on a total system basis rather than a wholesale basis and to establish whether ComEd's calculation of the base cost of fuel is in conformance with § 35.14(a) (2) of the regulations.

(B) Pursuant to the authority of the Federal Power Act, the Commission's rules of practice and procedure, and the Regulations under the Federal Power Act (18 CFR, Chapter I), a public hearing shall be held on March 18, 1975, at 10 a.m., in a hearing room at the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, concerning the section 206 investigation hereby instituted and the lawfulness of the rate revision proposed by ComEd in its August 30, 1974 filing.

(C) On or before February 4, 1975, the Commission staff shall serve its prepared testimony and exhibits. On or before February 18, 1975, all intervenors shall serve prepared testimony and exhibits. Any rebuttal evidence by ComEd shall be served on or before March 4, 1975.

(D) Pending hearing and a final decision thereon, the proposed changes in Rate 78 filed by ComEd on August 30, 1974 in Docket No. E-9002, are suspended for one day, and the use deferred until October 31, 1974, subject to refund.

(E) The Cities' motion to reject ComEd's August 30, 1974 filing in Docket No. E-9002 is denied.

(F) The Cities' request for a five-month suspension of ComEd's August 30, 1974 filing in Docket No. E-9002 is denied.

(G) The Cities' petition for intervention in this proceeding is granted, provided that the Cities' participation thereunder shall be limited to those issues other than the alleged discrimination between wholesale and retail rates. On that issue the petition for intervention is denied for the reasons discussed above.

(H) A Presiding Administrative Law Judge to be designated by the Chief Administrative Law Judge for that purpose (See Delegation of Authority, 18 CFR 3.5 (d)), shall preside at the hearing in this proceeding, shall prescribe relevant procedural matters not herein provided, and shall control this proceeding in accordance with the policies expressed in the Commission's rules of practice and procedure.

(I) Nothing contained herein should be construed as limiting the rights of the parties to this proceeding regarding the convening of conferences or offers of settlement pursuant to Section 1.8 of the Commission's rules of practice and procedure.

(J) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission:

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25710 Filed 11-4-74; 8:45 am]

[Docket No. E-9067]

CONNECTICUT LIGHT & POWER CO.

Notice of Purchase Agreement

OCTOBER 29, 1974.

Take notice that on October 17, 1974, the Connecticut Light and Power Company (CL&P) tendered for filing a Purchase Agreement With Respect To Various Gas Turbine Units, dated as of September 1, 1974, between (1) CL&P, The Hartford Electric Light Company (HELCO) and (2) Montaup Electric Company (MECO). The parties propose to make the rate schedule filed effective November 1, 1974.

The Purchase Agreement filed provides for a sale to MECO of a specified percentage of capacity and energy from the five gas turbine generating units during the period from November 1, 1974 to April 30, 1974, with related transmission services.

CL&P states that questions as to MECO's capability responsibility obligation, under the terms of the New England Power Pool (NEPOOL) agreement, during the term of this Purchase Agreement affected the amounts of gas turbine capacity that could be purchased by MECO and thus delayed execution of the agreement until a date which prevented the filing of such rate schedule more than thirty days prior to the proposed effective date. CL&P therefore requests that, in order to permit MECO to receive urgently needed capacity, the Commission, pursuant to Section 35.11 of its regulations, waive the thirty-day notice period and permit the rate schedule filed to become effective on November 1, 1974.

HELCO has filed a certificate of concurrence in this docket.

CL&P states that copies of this rate schedule have been mailed or delivered to CL&P, Hartford, Connecticut, HELCO, Hartford, Connecticut, and MECO, Fall River, Massachusetts.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 8, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies

⁷ Commissioner Smith, dissenting, would suspend for a longer period.

of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25714 Filed 11-4-74; 8:45 am]

[Docket No. E-9066]

CONNECTICUT LIGHT & POWER CO.

Notice of Purchase Agreement

OCTOBER 29, 1974.

Take notice that on October 17, 1974, the Connecticut Light and Power Company (CL&P) tendered for filing a Purchase Agreement With Respect To Various Gas Turbine Units, dated as of September 1, 1974, between (1) CL&P, The Hartford Electric Light Company (HELCO) and (2) Montaup Electric Company (MECO). The parties propose to make the rate schedule filed effective October 1, 1974.

The Purchase Agreement filed provides for a sale to MECO of a specified percentage of capacity and energy from the four gas turbine generating units during the period from October 1, 1974 to October 31, 1974, with related transmission services.

CL&P states that questions as to MECO's capability responsibility obligation, under the terms of the New England Power Pool (NEPOOL) agreement, during the term of this Purchase Agreement affected the amounts of gas turbine capacity that could be purchased by MECO and thus delayed execution of the agreement until a date which prevented the filing of such rate schedule more than thirty days prior to the proposed effective date. CL&P therefore requests that, in order to permit MECO to receive urgently needed capacity, the Commission, pursuant to § 35.11 of its regulations, waive the thirty-day notice period and permit the rate schedule filed to become effective on October 1, 1974.

HELCO has filed a certificate of concurrence in this docket.

CL&P states that copies of this rate schedule have been mailed or delivered to CL&P, Hartford, Connecticut, HELCO, Hartford, Connecticut, and MECO, Fall River, Massachusetts.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 8, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25699 Filed 11-4-74; 8:45 am]

[Docket No. E-9003]

EDISON SAULT ELECTRIC CO.**Filing of Supplement to Electric Power Contract and Petition for Waiver**

OCTOBER 29, 1974.

Take notice that on August 26, 1974, Edison Sault Electric Company (Esco) tendered for filing a supplement (No. 2) to Esco's Contract for Electric Service to Wisconsin Michigan Power Company (Wisconsin), dated January 1, 1969 and amended by Supplemental Agreement Number 1. Esco's filing proposes to amend and modify provisions in the present contract dealing with: (1) Energy to be furnished, (2) Character of service, (3) Points of delivery, (4) Metering of Energy, and (5) Rates to be charged.

The proposed filing indicates that Wisconsin has agreed to this supplement, as evidenced by the signatures of its authorized representatives attached thereto. The parties have proposed that the supplement become effective as of the date of its creation, August 1, 1974. Therefore, the prior notice requirement of § 35.3 of the Commission's regulations must be waived to allow the proposal to become effective as of the aforementioned proposed date.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 7, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25724 Filed 11-4-74;8:45 am]

[Docket No. CI75-32]

EXXON CORP.**Further Extension of Procedural Dates**

OCTOBER 29, 1974.

On October 18, 1974, Exxon Corporation filed a motion to extend the procedural dates fixed by order issued October 8, 1974, in the above designated matter. The motion states that both Staff Counsel and the intervenor, Tennessee Gas Pipeline Company, are agreeable to the change in dates. By Notice issued October 22, 1974, the procedural dates were extended.

Upon consideration, notice is hereby given that the procedural dates in the above matter are further modified as follows:

Service of Case in Chief, November 26, 1974.
Hearing, December 10, 1974 (10 a.m. e.s.t.).

Other procedural dates shall be set by the Presiding Administrative Law Judge as stated in the former order.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25711 Filed 11-4-74;8:45 am]

[Docket No. RP72-32, PGA 75-1]

KANSAS-NEBRASKA NATURAL GAS CO.**Purchase Gas Adjustment Filing**

OCTOBER 29, 1974.

Take notice that on September 30, 1974, Kansas-Nebraska Natural Gas Company (Kansas-Nebraska) tendered for filing revised tariff sheets pursuant to its Purchase Gas Adjustment Clause (PGA).¹ Kansas-Nebraska states that Second Revised Sheet No. 24B reflects the base average Purchased Gas Cost per Mcf of sales set forth in revised schedules filed with the Commission in Docket No. RP74-11 on May 20, 1974, which reflected reduced sales volume. Furthermore, Kansas-Nebraska states that Third Revised Sheet No. PGA-1 reflects the purchased gas cost adjustment to the commodity charges contained in Rate Schedules CD-1, WPS-1, IOR-1, CD-2, WPS-2 and IOR-2. The proposed effective date for the tendered tariff sheets is December 1, 1974.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 7, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25708 Filed 11-4-74;8:45 am]

[Docket No. CI75-240]

LUCIUS C. GEER AND ARTHUR G. MURPHY**Notice of Application**

OCTOBER 30, 1974.

Take notice that on October 18, 1974, Lucius C. Geer, and Arthur G. Murphy (Applicants), Suite 719, C&I Building, Houston, Texas 77002, filed in Docket No. CI75-240 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale

¹Second Revised Sheet No. 24B and Third Revised Sheet No. PGA-1 to its FPC Gas Tariff Second Revised Volume No. 1.

and delivery of natural gas in interstate commerce to Texas Gas Transmission Corporation (Texas Gas) from certain leases in the Keithville area, Caddo Parish, Louisiana, all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

Applicants propose to sell to Texas Gas from the subject acreage an estimated 12,000 Mcf of gas per month for a term of one year at 65.0 cents per Mcf at 15.025 psia, subject to upward and downward Btu adjustment from a base of 1,000 Btu per cubic foot, within the contemplation of § 2.70 of the Commission's general policy and interpretations (18 CFR 2.70). Applicants propose to commence said sale upon the date of issuance of the appropriate certificate or upon expiration of 60 days after commencement of Applicants' emergency sale to Texas Gas from the subject acreage, whichever is sooner. Applicant states that it began said emergency sale on September 29, 1974, within the contemplation of § 157.29 of the regulations under the Natural Gas Act (18 CFR 157.29).

Applicants state that they are advised that Texas Gas has an existing gas-supply emergency on its system and that the proposed gas sale for which authorization is sought herein is needed to assist Texas Gas in meeting its commitments to its customers.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 18, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be

unnecessary for Applicants to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25718 Filed 11-4-74;8:45 am]

[Docket No. E-7690; (PTF Cost Rules)]

NEW ENGLAND POWER POOL AGREEMENT

Further Extension of Procedural Dates

OCTOBER 29, 1974.

On October 21, 1974, Staff Counsel filed a motion to extend the procedural dates fixed by order issued July 23, 1974, as modified by notice issued August 19, 1974, in the above-designated matter. The motion states that the NEPOOL companies and the intervenors have been notified and do not oppose the motion.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of evidence by staff and intervenors, November 25, 1974.

Service of Rebuttal Evidence, December 13, 1974.

Hearing, December 18, 1974 (10 a.m., e.s.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25705 Filed 11-4-74;8:45 am]

[Docket No. E-9042]

NEW ENGLAND POWER POOL AGREEMENT

Filing of Amendment to the New England Power Pool Agreement

OCTOBER 29, 1974.

Take notice that on September 30, 1974, the NEPOOL Executive Committee, on behalf of the participants in the New England Power Pool Agreement, tendered for filing a proposed amendment to the New England Power Pool Agreement (NEPOOL).

The proposed amendment revises the NEPOOL Agreement to require the NEPOOL Management Committee to adopt for each power year a NEPOOL expansion plan specifying the pool transmission facilities (PTF) recommended for commercial operation during that year. The amendment also provides for use of PTF under certain circumstances for the transfer to a NEPOOL participant of its entitlement under a unit contract in a unit which is not a pool-planned unit.

Waiver of the Commission's notice requirements is requested, and June 1, 1974, is offered as the proposed effective date of the above-described amendment.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of

practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and is available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25706 Filed 11-4-74;8:45 am]

[Docket No. E-9071]

OKLAHOMA GAS AND ELECTRIC CO.

Tendered Amended Schedule

OCTOBER 30, 1974.

Take notice that on October 18, 1974, Oklahoma Gas and Electric Company (OG&E) tendered for filing copies of amended Schedule ES, dated July 1, 1974, between OG&E and Public Service Company of Oklahoma (PSCO). The tendered filing would replace the existing Schedule ES, Emergency Service, dated November 16, 1970, Supplement No. 8 to Rate Schedule FPC No. 31. Included in the filing is the Certificate of Concurrence of PSCO. The companies have agreed on a rate of 17.5 mills per kilowatt-hour for this service.

OG&E states that the change made in amended Schedule ES is the rate at which emergency service would be supplied and paid for. The company further states that the increase is necessary due to rapidly escalating labor, material and fuel costs and also to compensate the supplying party for the difficulties being incurred in obtaining and maintaining adequate fuel supplies.

The Schedule provides, according to OG&E, for an adder of 5 mills per kilowatt-hour. OG&E supports this with the statement that emergency service is most likely to occur at a time when the system is heavily loaded, which places a greater burden on the interconnected system and results in increased energy losses and increased incremental costs. The Schedule also provides that, should the seller acquire emergency energy to be delivered to the buyer from another supplier and such energy is to be returned to such supplier, the buyer shall pay seller's cost to acquire such emergency energy plus 2 mills/KWH.

OG&E and PSCO request waiver of the Commission's notice requirements to permit the amended Schedule to become effective on July 1, 1974.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such peti-

tions or protests should be filed on or before November 7, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party to the proceeding must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25720 Filed 11-4-74;8:45 am]

[Docket No. E-8802]

OTTER TAIL POWER CO.

Notice of Application

OCTOBER 29, 1974.

Take notice that on October 21, 1974, Otter Tail Power Company (Applicant) of Fergus Falls, Minnesota, filed an application seeking an order pursuant to Section 204 of the Federal Power Act authorizing the issuance and public sale through underwriters selected by negotiations or private negotiated sale to institutional purchasers of \$10,000,000 principal amount of First Mortgage Bonds and for an exemption from competitive bidding requirements in connection therewith.

The Bonds are to be issued under the Applicant's Indenture of Mortgage dated July 1, 1936, as amended and supplemented and as to be supplemented by a Thirty-third Supplemental Indenture to be dated as of December 1, 1974. The application proposes that the maturity and interest rate of the Bonds and the redemption provisions and certain other provisions of the Bonds will be determined by negotiation.

The \$10,000,000 of First Mortgage Bonds will be applied against short-term borrowings incurred to finance Applicant's 1974 construction program.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and is available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25704 Filed 11-4-74;8:45 am]

[Docket No. RI75-45]

PECOS WESTERN CORP.**Petition for Special Relief****OCTOBER 30, 1974.**

Take notice that on October 21, 1974, Pecos Western Corporation (Petitioner), 11246 South Post Oak Road, Houston, Texas 77035, filed a petition for special relief in Docket No. RI75-45, pursuant to § 2.76 of the Commission's general policy and interpretations. Petitioner requests relief from the area rate established in Opinion No. 598 for the sale of natural gas from Lake St. Catherine Field, Orleans Parish, Louisiana to Southern Natural Gas Company.

The proposed rate is 59-60 cents per Mcf in lieu of the current rate of 16 cents per Mcf. In consideration for the rate increase, petitioner proposes to drill a new well, enlarge a production platform, and rework several other wells.

Any person desiring to be heard or to make any protest with reference to said petition should on or before November 21, 1974, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR § 1.8 or 1.10). All protests filed with the Commission will be considered by it determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any party wishing to become a party to a proceeding, or to participate as a party in any hearing therein, must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25719 Filed 11-4-74; 8:45 am]

[Docket No. E 8823]

SOUTH CAROLINA ELECTRIC AND GAS CO.**Extension of Procedural Dates****OCTOBER 29, 1974.**

On October 23, 1974, Staff Counsel filed a motion to extend the procedural dates fixed by Order issued August 2, 1974, in the above designated matter. The motion states that all parties have been contacted and no objections were raised.

Upon consideration, notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Staff Evidence, November 22, 1974.
Service of Intervenor Evidence, December 13, 1974.

Service of Company's Rebuttal Evidence, January 14, 1975.

Hearing, January 28, 1975 (10 a.m. e.s.t.).

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25707 Filed 11-4-74; 8:45 am]

[Docket No. RP74-93]

SOUTHERN NATURAL GAS CO.**Order Denying Applications for Rehearing and Reconsideration****OCTOBER 30, 1974.**

On May 15, 1974, Southern Natural Gas Company (Southern) filed a Petition for Declaratory Order in which Southern requested that the Commission order that the cost of acquiring certain coal reserves to be dedicated to a coal gasification plant is an appropriate item for inclusion in Southern's rate base and cost of service in Account No. 105 as Gas Plant Held For Future Use. Southern estimated the annual cost impact of its proposal to be \$3,528,000. Southern's petition stated that the company undertakes to dedicate the coal reserves exclusively to a coal gasification project, and would agree to a condition which would require that, if Southern does not utilize the coal reserves for such a project and subsequently sells the reserves, Southern would pay its customers the excess of such sales price over the cost of the reserves, if any.

By order issued September 4, 1974, we denied Southern's petition for declaratory order, finding that the benefits to the company's customers are too far removed and the customer cost-benefit relationship requires rejection of Southern's proposal.

On September 30, 1974, Northwest Pipeline Corporation (Northwest), an intervenor in this proceeding, filed a Motion for Reconsideration directed toward our order of September 4, 1974. On October 4, 1974, Southern, in conjunction with several other petitioners,¹ filed a Joint Application for Rehearing and Reconsideration directed toward the same order.²

Northwest alleges that the Commission's reasoning that the benefits to Southern's customers are too far removed is "flawed" in that Southern's agreement to dedicate the coal reserves exclusively to a coal gasification project and to pass on any profits it might make on the coal reserves is of significant benefit to those customers. Southern, in its

¹Joining with Southern in the filing of the Application were: Alabama Municipal Distributors Group, Alabama Gas Corporation, Carolina Pipeline Company, Chattanooga Gas Company, Gas Light Company of Columbus, Georgia Municipal Association, Mississippi Valley Gas Company, Mississippi Municipal Distributors Group and South Carolina Electric and Gas Company.

²Also on October 4, 1974, Atlanta Gas Light Company filed a petition to intervene and an Application for Rehearing or Reconsideration which set forth allegations substantially the same as those set forth by Northwest and Southern, et al. Therefore, our discussion of those allegations in the context of the Northwest and Southern petitions applies to Atlanta Gas Light Company as well.

petition, repeats its agreement to pass on such profits to its customers, should they occur. Northwest's argument is not persuasive. The Commission, in originally denying Southern's application, was not persuaded by speculative benefits to Southern's customers which may result from market fluctuations in the price of coal. What prompted our rejection of the company's proposal is the fact that there is not adequate assurance that Southern will ever actually mine the coal or gasify it. Southern has not stated when the proposed coal gasification plant will go on line or, for that matter, how it will be designed.

Northwest also argues that this Commission should not fear that Southern, under its proposal, could earn a return on expenses which it may later recoup through rates charged for the gas produced since the Commission can require Southern to structure its eventual rates to take into account this earned return, thereby preventing any "double dip". As we have stated in the past, the public interest requires that we not proceed on an ad hoc basis to allow potentially large cost items which are related to non-jurisdictional facilities without carefully developed standards for consumer protection.³ The fact that this Commission can require crediting in the future does not remedy this basic defect.

Southern, in its Application, also discusses the benefit of preserving this coal reserve for coal gasification, and the possibility of reducing the total rate impact under its proposal as opposed to capitalizing these costs to the coal gasification project. These considerations, however, are based upon the assumption that this coal will ultimately be gasified within a reasonable period of time. As we have stated, there is not adequate assurance that this will occur.

The Commission finds: (1) Northwest's Motion for Reconsideration filed on September 30, 1974 and the Joint Application of Southern Natural Gas Company, et al. for Rehearing and Reconsideration, filed October 4, 1974, raises no facts or principles of law which would provide an appropriate basis for modification of the Commission's order of September 4, 1974.

The Commission orders:

(A) Northwest's Motion for Reconsideration and Southern's Application for Rehearing and Reconsideration, as they apply to our order of September 4, 1974 in this docket are denied.

(B) Atlanta Gas Light Company is hereby permitted to intervene in this proceeding, subject to the rules and regulations of the Commission: *Provided, however,* that the participation of the intervenor shall be limited to matters affecting rights and interests specifically

³Michigan Wisconsin Pipe Line Company, Docket No. RP73-102, order issued October 11, 1974, p. 3.

set forth in its petition to intervene, and *Provided, further*, that the admission of such intervenor shall not be construed as recognition by the Commission that it might be aggrieved because of any order or orders issued by the Commission in this proceeding.

(C) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.¹

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25700 Filed 11-4-74; 8:45 am]

[Docket No. RP74-91-11]

TENNESSEE GAS PIPELINE COMPANY

Petition for Emergency Relief, Request for Waiver, and Adjustments of Curtailment Period Quantity Entitlements

OCTOBER 29, 1974.

Take notice that on October 4, 1974, the City of Clarksville, Tennessee (Clarksville) filed in Docket No. RP74-91-11 pursuant to §§ 1.7 and 2.78 of the Commission's rules and regulations, a petition for emergency relief from the present implementation of the curtailment plan of Tennessee Gas Pipeline Company, a Division of Tenneco, Inc. (Tennessee), pending final Commission orders in Docket No. RP74-24 and Docket No. CP73-115, et al.

Clarksville owns a municipal gas distribution system which is the sole supplier of natural gas in the Clarksville, Tennessee-Fort Campbell area. Tennessee is Clarksville's sole supplier of natural gas.

Clarksville states that due to the inexperience of its personnel the requirements of certain customers were placed in incorrect priority of service in the Tennessee curtailment plan, and that it is upon this basis that Tennessee is curtailing Clarksville. Clarksville therefore requests that the Commission order Tennessee to place the aforementioned customers in their proper priority classifications. Further, Clarksville states that it had been allocated 1,096,232 Mcf for the April-October, 1974, curtailment period; and that it had used 336,209 Mcf up to the imposition of the additional 39-day curtailment caused by Hurricane Carmen (September 23-October 31, 1974). With the imposition of the additional 39-day curtailment Clarksville's entitlement has been reduced to 212,733 Mcf. This volume, Clarksville states is insufficient to meet the requirements of its customers. Clarksville therefore requests, on a one-time basis, that the Commission order Tennessee to transfer 123,290 Mcf of the 196,311 Mcf it was entitled to take but did not during the January-March, 1974 period, from the January-March, 1974 curtailment period to the April-October, 1974 curtailment

period. Further, Clarksville states that it believes the information set forth in its petition satisfies the "minimal information" requirements of § 2.78(b) of the Commission's rules and regulations; but that if there is non-compliance with such section, it requests waiver of said section to such extent.

A shortened notice period in this proceeding may be in the public interest. Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 or 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 8, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25716 Filed 11-4-74; 8:45 am]

[Docket No. RP74-25]

TEXAS GAS TRANSMISSION CORP.

Extension of Procedural Dates

OCTOBER 29, 1974.

On October 10, 1974, Texas Gas Transmission Corporation filed a motion to extend the procedural dates fixed by Order issued October 31, 1974, as most recently modified by notice issued August 1, 1974, in the above-designated matter.

Notice is hereby given that the procedural dates in the above matter are modified as follows:

Service of Supplemental Evidence by Company, December 6, 1974.
Service of Intervenor's Rebuttal, January 7, 1975.
Service of Company's Rebuttal, January 28, 1975.
Hearing, February 10, 1975 (10 a.m. e.s.t.).

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25712 Filed 11-4-74; 8:45 am]

[Docket No. RP72-156, PGA 75-1]

TEXAS GAS TRANSMISSION CORP.

Purchase Gas Adjustment Filing

OCTOBER 29, 1974.

Take notice that on October 7, 1974, Texas Gas Transmission Corporation (Texas Gas) tendered for filing Second Substitute Tenth Revised Sheet No. 7 to its FPC Gas Tariff, Third Revised Volume No. 1. Texas Gas states that the change in cost of purchased gas reflected in the revised sheet is primarily attributable to an increase filed on October 2, 1974 by United Gas Pipe Line Company (United). Furthermore, Texas Gas states

that United's petition of October 2, 1974, seeks to make effective on November 2, 1974, a National Rate Surcharge to recoup United's increased gas costs resulting from the establishment of a National Rate in Opinion Nos. 699 and 699-A. Texas Gas requests an effective date of November 2, 1974 or such other date as the Commission may permit the United filing to become effective.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 4, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25709 Filed 11-4-74; 8:45 am]

[Docket No. RP75-19]

TEXAS GAS TRANSMISSION CORP.

Proposed Rate Increase

OCTOBER 30, 1974.

On September 30, 1974, Texas Gas Transmission Corporation (Texas Gas) tendered for filing a general increase in its rates which are subject to the jurisdiction of the Federal Power Commission. The proposed tariff sheets would increase the charges for service under all of the rate schedules in Texas Gas' FPC Gas Tariff, Third Revised Volume No. 1¹ and would increase the charges for transportation service to Texaco Inc. and Gulf Oil Corporation under Rate Schedules Nos. X-32 and X-29, respectively, which are contained in Texas Gas' FPC Gas Tariff, Original Volume No. 2.² The proposed increase in jurisdictional revenues would amount to \$27,978,836, based on the adjusted volumes for the twelve months ended June 30, 1974,³ compared with the proposed settlement rates set forth in Appendix A-4 of the Stipulation

¹ Eleventh Revised Sheet No. 7 and Third Revised Sheet No. 102. With respect to Eleventh Revised Sheet No. 7, Texas Gas states that the column on that sheet entitled "Base Tariff Rate" sets forth the proposed rates as derived in Exhibit 11 and the column entitled "Cumulative Rate Adjustment" reflects the unit rate adjustment effective on August 2, 1974 to recover the balance in the unrecovered Purchased Gas Costs account.

² Seventh Revised Sheet No. 333, Sixth Revised Sheet No. 362, Seventh Revised Sheet No. 363 and Sixth Revised Sheet No. 365.

³ Texas Gas states that based on the actual volumes of sales and transportation during the twelve months ended June 30, 1974, the increase in jurisdictional revenues amounts to \$31,227,135 annually (Exh. 7, p. 1).

¹ Commissioner Brooke's dissenting opinion filed as part of the original document. Commissioner Springer dissents for the reasons stated in his dissent to the order issued September 4, 1974, in this proceeding.

and Agreement filed with the Commission on September 17, 1974, in Docket No. RP74-25.

Texas Gas states that the increase in rates is occasioned by increases in costs which are known and measurable and which are now effective or will become effective within 9 months of June 30, 1974. Texas Gas asserts that the proposed rate increase is mainly attributable to (1) increases in operating expenses; (2) increased costs associated with increased curtailment and husbanding of gas; and (3) increase in the overall rate of return to 10.33 percent.

Texas Gas further states that storage, transmission and general costs were classified between demand and commodity generally in accordance with the "Atlantic Seaboard" formula used in Commission Opinion No. 225, as modified in Commission Opinion No. 600-A. Furthermore, Texas Gas states that 25 percent of the transmission, storage and general fixed costs, and the "as billed" production costs were utilized in the design of the G, CD and CDL demand rates and the remaining 75 percent of the transmission, storage and general fixed costs were utilized in the design of the commodity sales rate.

While Texas Gas has assigned more fixed costs to the commodity component of its rates than unmodified Seaboard would require we nonetheless will continue our review and evaluation of commodity rate levels to determine that level most appropriate in light of present day supply and market conditions. In Opinion No. 671 we expressed our concern over the worsening gas supply situation, and in view thereof we found, inter alia, that low priority usage should be discouraged and the price gap between natural gas and alternative fuels in the interruptible industrial market should, at the minimum, be narrowed. As we indicated in Opinion No. 671, we intend to continue our review and analysis of pipeline cost allocation and rate design structures and, where necessary, to establish pipeline rates for resale or industrial use more in line with the costs of competitive fuels available for such use.

In light of our policy of considering the prices of competitive fuels in setting commodity rate levels and the present supply and market conditions on Texas Gas' system, all parties to this proceeding should direct their attention, and file any evidence they wish to submit, to alternate methods of cost classification and rate design which may more closely reflect or implement the Commission's objectives in this area.*

Notice of the tendered tariff sheets was issued on October 9, 1974, with protests, notices of interventions and petitions to intervene due on or before October 22, 1974.

*See: Columbia Gas Transmission, et al., Docket Nos. RP74-82 and RP74-81, order issued May 31, 1974, footnote 3.

Texas Gas' request for increased rates is based in part upon the fact that its deliverability of gas from connected sources is declining. The present gas shortage in this country, to which this Commission has often called attention, is a problem which is shared by most if not all major interstate transmission pipelines in varying degrees of magnitude. The effect upon the capital invested in gas pipeline operations resulting from inadequate and declining gas supplies as well as the uncertainties and contingencies inherent in possible supplemental sources of supply are of direct and primary concern to us. Accordingly, we request that the evidence in this proceeding, including that to be filed by our Staff, give full and careful consideration to these factors in the development of recommendations on the issue of rate of return so as to enable this Commission to formulate sound regulatory policies in this area.

We note the use of conjunctive billing by Texas Gas. This Commission is of the opinion that this issue should be investigated as part of the hearing as hereinafter ordered. The evidence contained in Texas Gas' filing of September 30, 1974, does not direct itself to the propriety of its present billing practices. Therefore, we shall provide Texas Gas the opportunity to file evidence in support of this practice.

Our review of Texas Gas' September 30, 1974, filing indicates that there are certain issues raised which may require development in an evidentiary hearing. The proposed increases in rates and charges have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or preferential or otherwise unlawful.

The Commission finds:

(1) It is necessary and proper in the public interest and in carrying out the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the rates proposed in this docket by Texas Gas, and that the proposed increased rates should be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4, 5, 8, and 15 thereof, and the Commission's rules and regulations, a hearing shall be held to determine the justness and reasonableness of the rates proposed herein by Texas Gas Transmission Corporation.

(B) Pending hearing and decision thereon, Texas Gas' proposed increased rates are accepted for filing, suspended for five months, and permitted to become effective thereafter on April 1, 1975, in the manner prescribed in the Natural Gas Act, and subject to refund.

(C) On or before December 16, 1974, Texas Gas shall serve its prepared testimony and exhibits relating to the issue of conjunctive billing. On or before March 4, 1975, the Commission Staff shall serve its prepared testimony and

exhibits. Prepared testimony and exhibits of intervenors shall be served on or before March 25, 1975. Any rebuttal evidence of Texas Gas shall be served on or before April 15, 1975. Cross-examination of the evidence shall commence on April 29, 1975, at 10 a.m. in a hearing room at the Federal Power Commission, Washington, D.C. 20426.

(D) A Presiding Administrative Law Judge to be designated by the Chief Administrative Law Judge for that purpose (See Delegation of Authority, 18 CFR 3.5(d)), shall preside at the hearing in this proceeding, shall prescribe necessary procedures not provided for by this order, and shall otherwise conduct the hearing in accordance with the terms of this order and the Commission's rules and regulations.

(E) The Secretary shall cause prompt publication of this order in the FEDERAL REGISTER.

By the Commission.

[SEAL]

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25701 Filed 11-4-74; 8:45 am]

[Docket No. RP74-52]

TRANSWESTERN PIPELINE CO.

Proposed Changes in FPC Gas Tariff

OCTOBER 30, 1974.

Take notice that Transwestern Pipeline Company (Transwestern) on October 10, 1974, tendered for filing as part of its FPC Gas Tariff, First Revised Volume No. 1 the following sheets:

Second Substitute Original Sheet No. 3-A
Second Substitute Original Sheet No. 3-B

Transwestern states that these sheets are issued pursuant to the Federal Power Commission Order issued September 27, 1974, permitting Transwestern to remove from rates filed August 16, 1974, under its purchased gas cost adjustment provision that amount in excess of the Commission's area rate levels. Transwestern states that the instant filing reflects rates not subject to refund.

Transwestern requests an effective date of October 1, 1974.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, in accordance with §§ 1.8, 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before November 5, 1974. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.74-25717 Filed 11-4-74; 8:45 am]

[Docket No. E-9051]

UPPER PENINSULA POWER CO.**Change of Rate Schedule and Concurrence Therein**

OCTOBER 30, 1974.

Take notice that on October 7, 1974, the Upper Peninsula Power Company tendered for filing two agreements entitled Amendment to 1972 Basic Agreement and Amendment No. 2 to 1972 Basic Agreement as a change in Upper Peninsula Power Company's FPC Rate Schedule No. 16.

The tendered Rate Schedule modifications amend a coordination, pooling and transmission agreement pursuant to which the Upper Peninsula Power Company delivers power produced at plants of both the Upper Peninsula Generating Company and the Cliffs Electric Service Company.

One of the proposed amendments increases Upper Peninsula Power Company's return on net investment from 8 percent to 8½ percent. In addition, the parties' 1972 basic agreement is modified in terms of the organization and procedures of the "Operating Committee" which oversees joint operations of the parties.

Certificates of Concurrence on behalf of the Cliffs Electric Service Company and the Upper Peninsula Generating Company were simultaneously filed with the proposed rate schedule amendment.

Waiver of the Commission's notice requirements is requested, and October 23, 1974, is offered as a proposed effective date with respect to the amended rate schedule.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25723 Filed 11-4-74; 8:45 am]

[Docket No. E-9050]

UPPER PENINSULA POWER CO.**Rate Schedule Filing**

OCTOBER 30, 1974.

Take notice that on October 7, 1974, the Upper Peninsula Power Company (Upper Peninsula) tendered for filing as an initial rate schedule an agreement

for the sale of power and energy to the Cliffs Electric Service Company.

The above-described filing includes three agreements, including a Leased Capacity Agreement, dated May 30, 1972, an Amendment to the Leased Capacity Agreement, dated April 1, 1974 and Amendment No. 2 to Leased Capacity Agreement, dated October 3, 1974.

Upper Peninsula Power Company requests waiver of the Commission's notice requirements and proposes that the above-described rate schedule become effective October 23, 1974.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25722 Filed 11-4-74; 8:45 am]

VIRGINIA ELECTRIC AND POWER CO.**Contract Supplement**

OCTOBER 30, 1974.

Take notice that by letter dated September 5, 1974, the Virginia Electric and Power Company (VEPCO), tendered for filing a supplemental contract which changes the voltage on its lines serving the River's Edge Delivery Point for Prince George Electric Cooperative from 13.2 kv to 34.5 kv.

VEPCO requests waiver of both required billing data and the Commission's notice requirements, and also requests that August 28, 1974, be made the effective date of the above-mentioned supplemental contract filing.

Any person desiring to be heard or to make any protest with reference to the subject matter of this notice, should on or before November 20, 1974, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to any proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The documents referred to herein

are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 74-25721 Filed 11-4-74; 8:45 am]

FEDERAL RESERVE SYSTEM**AFFILIATED BANKSHARES OF COLORADO, INC.****Proposed Shifting of Activities by Bank Holding Company of Banks' Subsidiary Engaged in Nonbanking Activities**

Affiliated Bankshares of Colorado, Inc., Boulder, Colorado, has applied, pursuant to § 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(1) of the Board's Regulation Y, for permission to acquire direct ownership of the voting shares of First Colorado Bankshares, Inc., Littleton, Colorado. Applicant presently controls such voting shares indirectly through its ownership of four subsidiary banks which directly own these voting shares. Applicant will shift the activities of First Colorado Bankshares, Inc., to Applicant's wholly-owned direct subsidiary, Affiliated Banks Service Company. Thereafter, First Colorado Bankshares, Inc., will be liquidated. Notice of the application was duly published in newspapers of general circulation in the communities to be served.

Applicant states that the resultant subsidiary would continue to engage in data processing activities including bookkeeping and data processing services for the internal operations of the holding company and its subsidiaries, and storing and processing other banking, financial, or related economic data, such as performing payroll, accounts receivable or payable, or billing services. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City.

Any views or requests for hearing should be submitted in writing and received by the Federal Reserve Bank of

Kansas City, not later than November 20, 1974.

Board of Governors of the Federal Reserve System, October 29, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.
[FR Doc.74-25690 Filed 11-4-74;8:45 am]

UB FINANCIAL CORP.

Acquisition of Anvil Thrift; Correction

On FR document 77-24812 appearing on page 37831 of the issue for Thursday, October 24, 1974 footnote 2 should have read:

* Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns.

Board of Governors of the Federal Reserve System, October 25, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.
[FR Doc.74-25772 Filed 11-4-74;8:45 am]

FIRST UNION INC.

Order Approving Acquisition of Bank

First Union Inc., St. Louis, Mo., a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 90 percent or more of the voting shares of Florissant Bank, Florissant, Mo. (Bank).

Notice of receipt of the application, affording opportunity for interested persons to submit comments and views with respect to the proposed transaction, was published in the FEDERAL REGISTER (39 FR 23308). As indicated by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Commissioner of Finance of the State of Missouri and requested his views and recommendations thereon. The Commissioner did not formally object to the application although he expressed his concern over the ability of a newly-chartered institution to compete effectively in the north St. Louis County portion of the market and questioned whether Applicant's entry into this section of the market might not be accomplished in a manner more conducive to preserving and promoting a fully competitive banking structure. The Board has considered the application and all comments received, including the views of the Commissioner, in light of the factors set forth in section 3 of the Act (12 U.S.C. 1842(c)).

Applicant, the second largest bank holding company in Missouri, controls 16 banks with aggregate deposits of \$1.4 billion, representing about 9.2 percent of the total deposits in commercial banks in the State.¹ Applicant's acquisition of Bank would increase Applicant's control of State deposits by an additional 0.3

percent. Applicant's rank among the State's banking organizations would remain unchanged.

Bank (deposits of \$41 million) is located in the north St. Louis County portion of the St. Louis banking market² and controls approximately 0.6 percent of the total deposits in commercial banks in this market. Applicant presently controls two banking subsidiaries in the St. Louis banking market which hold aggregate deposits of \$1 billion, representing 15 percent of the market's total commercial deposits. Thus, consummation of the proposed acquisition would increase Applicant's share of the market's commercial deposits to 15.6 percent and would eliminate a slight amount of existing competition between the two institutions. However, as the Board recently noted in its Order approving the application of Mercantile Bancorporation to acquire Lewis & Clark State Bank of St. Louis County,³ the St. Louis banking market is relatively unconcentrated with the top five banking organizations holding aggregate deposits representing but 46.7 percent of the market's total commercial bank deposits. On the basis of the facts in this case, it is the Board's judgment that no significant adverse effects on existing competition would result from consummation of the proposal.

Applicant is not presently represented in the north St. Louis County portion of the St. Louis banking market, and all of the existing banking organizations in the Florissant area are either subsidiaries or proposed subsidiaries of other bank holding companies. Thus, acquisition of a smaller independent bank in the Florissant area is not possible at this time. Although Applicant appears to have the capability and resources to enter this portion of the market de novo, the probability of such entry appears remote at the present time in view of the recent chartering of three banks in the area (see Board Order dated July 26, 1974, approving application of Mercantile Bancorporation to acquire Lewis & Clark State Bank of St. Louis County). It, therefore, appears from all the facts of record that consummation of the proposal would not foreclose significant potential competition.

The financial and managerial resources and future prospects of Applicant and its subsidiary banks and those of Bank are regarded as satisfactory and consistent with approval of the application. With respect to considerations relating to convenience and needs, it appears that Applicant plans to institute Saturday banking hours and install an automated teller system. Applicant will also provide additional expertise in the investment and lending functions of Bank. These considerations are consistent with, and lend some weight toward, approval of the application.

¹ The St. Louis banking market is approximated by the city and county of St. Louis, portions of St. Charles and Jefferson Counties in Missouri, and portions of Madison and St. Clair Counties in Illinois.

² Board Order dated July 26, 1974.

On the basis of all relevant facts in the record and in light of the facts set forth in section 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than 3 months after the effective date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of St. Louis pursuant to delegated authority.

By Order of the Board of Governors,⁴ effective October 25, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.
[FR Doc.74-25773 Filed 11-4-74;8:45 am]

INDIAN HEAD BANKS, INC.

Order Approving Acquisition of Indian Head Bank Services Corporation

Indian Head Banks, Inc., Nashua, N.H., a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Indian Head Bank Services Corporation, Nashua, New Hampshire (Company), a proposed new company that would engage in the activities of furnishing investment and financial advice and, on an explicit fee basis, management consulting advice to non-affiliated banks. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(5) and (12)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 FR 30863). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant, the largest banking organization in New Hampshire, controls 9 banks with aggregate deposits of \$215 million, representing 15 percent of the total deposits in commercial banks in the State.¹

Company proposes to furnish management consulting advice on an explicit fee basis and portfolio investment or financial advisor services to non-affiliated

⁴ Voting for this action: Chairman Burns and Governors Mitchell and Sheehan. Voting against this action: Governors Holland and Wallich. Absent and not voting: Governor Bucher.

¹ All banking data are as of December 31, 1973, and reflect bank holding company formations and acquisitions approved through September 30, 1974.

¹ All banking data are as of December 31, 1973.

banks located in New Hampshire and Vermont, and these activities would be conducted primarily from Applicant's main office in Nashua, N.H. Company's investment advisory activities will be provided on a continuing basis and will include guiding client banks in such areas as liquidity, diversification of maturities, and the use of tax exempt obligations. In addition, Company proposes to provide a broad range of management consulting advice to its client banks (not on a daily or continuing basis), including site planning and evaluation, bank mergers, acquisitions and branches; capital adequacy and planning; investment advice; credit policies and administration; marketing operations; personnel operations; auditing; and trust.

It appears that no adverse effects on competition would result from Company acting as a bank investment and management consulting advisor. While these services are available to banks in the relevant areas as a correspondent banking service with the large banks located in Boston and New York, such advice is limited in scope and is not offered on an explicit fee basis. In fact, Company will be the first bank holding company subsidiary in either New Hampshire or Vermont to engage in bank management consulting. Therefore, no significant existing or future competition would be eliminated upon approval of the application. Moreover, it is expected that Applicant's de novo entry in this field should produce benefits to the public by adding a more convenient additional competitor that offers this specialized financial and consulting advice. Further, by making this advice available on an explicit fee basis rather than as a correspondent banking service, client banks in New Hampshire and Vermont will now be able to more accurately analyze the cost of such services and may be able to more efficiently allocate their funds.

There is no evidence in the record indicating that consummation of the proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects on the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of section 4(c)(8), that consummation of this proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be made not later than 3 months after the effective date of this Order, unless such period is ex-

tended for good cause by the Board or by the Federal Reserve Bank of Boston.

By order of the Board of Governors,
effective October 25, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.74-25775 Filed 11-4-74;8:45 am]

TRI-STATE BANCORPORATION, INC.

Order Denying Formation of Bank Holding Company

Tri-State Bancorporation, Inc., East Dubuque, Ill., has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 51 percent or more of the voting shares of Tri-State Bank of East Dubuque, East Dubuque, Ill. (Bank).

At the same time, Applicant has applied for the Board's approval pursuant to section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y to continue to engage in the activities of a general insurance agency in a community with a population of less than 5,000 persons. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(9)(iii)(a)).

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with sections 3 and 4 of the Act. The time for filing comments and views has expired, and the Board has considered the applications and all comments received in light of the factors set forth in section 3(c) of the Act and the considerations specified in section 4(c)(8) of the Act.

Applicant presently conducts general insurance agency activities in East Dubuque, Illinois, a town of approximately 2,408 people. Bank, with deposits of \$13.5 million,¹ is the fourth largest of six banks in the relevant banking market,² controlling approximately 4.8 percent of the total deposits in commercial banks in the market. The purpose of the proposed transaction is to effect a transfer to Applicant of Bank's shares presently owned by Applicant's sole shareholder, with no change in Bank's management or operations. Since Applicant presently has no subsidiaries, consummation of the proposal would have no significantly adverse effects on competition in any relevant area.

As it has indicated on previous occasions, the Board believes that a holding company should be a source of financial and managerial strength for its subsidiary bank(s) and every proposed acquisition or formation is closely examined

¹ Voting for this action: Chairman Burns and Governors Mitchell, Holland and Wallich. Absent and not voting: Governors Sheehan and Bucher.

² Banking data are as of December 31, 1973.

³ The market area is approximated by RMA which encompasses Dubuque, Iowa, East Dubuque, Ill., and the southern portion of Grant County, Wisconsin.

with this consideration in mind. Under the proposal, Applicant would incur debt of \$350,000. The future prospects of Applicant and its ability to service the debt are primarily dependent upon the financial resources of Bank. In this connection, the Board notes that Bank's capital ratios have declined since control of Bank was acquired by Applicant's sole shareholder in 1969. It appears that this situation has developed in part due to certain management practices of Bank's majority shareholder (who is also the sole shareholder of Applicant). In the Board's view, the declining position of Bank's capital and the proposed policies of Applicant indicate that Applicant would not have the necessary financial flexibility to meet its annual debt servicing requirements without adversely affecting the capital position of Bank. The above factors strongly suggest that the future financial requirements of Applicant could place an undue strain on Bank and thus impair its ability to continue as a viable banking organization in meeting the needs of the communities it serves. Although the financial condition of Bank is sound, the Board does not sanction the use of a holding company structure that would, because of the sizeable debt of the holding company, impair the financial condition of the bank to be acquired. Such considerations relating to banking factors lend weight toward denial of the application.

As indicated above, the proposal contemplates no meaningful changes in Bank's operations which would produce benefits to the public. Thus, considerations relating to convenience and needs provide no weight for approval of the application.

On the basis of all the facts in the record, it is the Board's judgment that the possible adverse effects of the management practices of principals of Applicant upon the financial condition of Bank would be inconsistent with the standards set forth in section 3(c) of the Act. Accordingly, it is the Board's judgment that consummation of the proposal would not be in the public interest, and that the application should be denied.³

By order of the Board of Governors,
October 25, 1974.

[SEAL] GRIFFITH L. GARWOOD,
Assistant Secretary of the Board.

[FR Doc.74-25774 Filed 11-4-74;8:45 am]

FIRST NATIONAL CHARTER CORP.

Order Approving Acquisition of Bank

First National Charter Corporation, Kansas City, Mo., a bank holding company within the meaning of the Bank Holding Company Act, has applied for

¹ In view of the Board's action with respect to the application to become a bank holding company, consideration of the application to engage in insurance agency activities becomes moot.

² Voting for this action: Chairman Burns and Governors Mitchell, Holland, and Wallich. Absent and not voting: Governors Sheehan and Bucher.

the Board's approval under section 3(a) (3) of the Act (12 U.S.C. 1842 (a) (3)) to acquire 80 percent or more of the voting shares of The First National Bank of Cassville, Cassville, Mo. (Bank).

The application has been processed by the Federal Reserve Bank of Kansas City pursuant to authority delegated by the Board of Governors of the Federal Reserve System under the provisions of § 265.2(f) (24) of the rules Regarding Delegation of Authority.

As required by section 3(b) of the Act, the Reserve Bank gave written notice of receipt of the application to the Comptroller of the Currency. The Comptroller offered no objection to approval of the application. Notice of receipt of the application was published in the FEDERAL REGISTER on September 3, 1974 (39 FR 31953) providing an opportunity for interested persons to submit comments and views with respect to the proposal. The U.S. Department of Justice and the Missouri Commissioner of Finance were given notice of receipt of the application. Time for filing comments and views has expired and none has been received. The Reserve Bank has considered the application in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the fourth largest banking organization in Missouri, controls 12 operating banks with aggregate deposits of \$763.1 million,¹ representing 5.07 percent of the commercial bank deposits in the State. Acquisition of Bank would increase Applicant's share of deposits only slightly, and would not result in a significant increase in the concentration of banking resources in Missouri. Applicant's ranking among banking organizations in the State would remain unchanged.

Bank (\$14.2 million in deposits) is the second largest of seven banking organizations in the Cassville market (approximated by Barry County minus Monett and vicinity) and holds 36.5 percent of the deposits in commercial banks in the market. None of Applicant's subsidiary banks are located in Bank's primary service area and consummation of the proposed acquisition would eliminate a negligible amount of existing competition between any of these subsidiary banks and Bank. Neither entering the market de novo nor by means of a "foot-hold" acquisition are viable alternatives to the acquisition of Bank. Thus, it is unlikely that the acquisition would foreclose the development of significant potential competition between Applicant and Bank. Competitive considerations are, therefore, consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant and its subsidiaries appear satisfactory. The financial condition and prospects of Bank are consistent with approval. Affil-

iation with Applicant should enable Bank to offer expanded banking services, including agriculture loans and trust services. These factors, as they relate to the convenience and needs of the community to be served, lend some weight for approval of the application. It is the Reserve Bank's judgment that consummation of the proposed acquisition is in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than 3 months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

[SEAL] WILBUR T. BILLINGTON,
Senior Vice President.

OCTOBER 22, 1974.

[FR Doc. 74-25776 Filed 11-4-74; 8:45 am]

GENERAL ACCOUNTING OFFICE

REGULATORY REPORTS REVIEW

Notice of Receipt of Report Proposals; Federal Communications Commission

The following requests for clearance of reports intended for use in collecting information from the public were received by the Regulatory Reports Review Staff, GAO, on October 17, 1974. See 44 U.S.C. 3512 (c) and (d). The purpose of publishing this list in the FEDERAL REGISTER is to inform the public of such receipt.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; and the frequency with which the information is proposed to be collected.

Further information about the items on this list may be obtained from the Regulatory Reports Review Officer, 202-376-5425.

FEDERAL COMMUNICATIONS COMMISSION

Request for clearance of the reporting requirement under a new regulation, 47 CFR 1.1311, which calls for environmental information to be submitted with applications for authority to construct major communications facilities. Frequency is on occasion and potential respondents are business firms applying for authority to construct major communications facilities. Reporting burden is estimated to be 2 hours, on average, for each respondent per response. However, the reporting burden will be influenced by the specific circumstances each applicant faces at a particular construction site or sites. For example, the trenchment of underground cable over long distances would involve a substantial amount of time and expense to comply with the reporting requirement.

NORMAN F. HEYL,
Regulatory Reports Review Officer.

[FR Doc. 74-25766 Filed 11-4-74; 8:45 am]

GENERAL SERVICES ADMINISTRATION

[Fed. Prop. Management Reg. Temp. Reg. G-19]

SECRETARY OF DEFENSE

Revocation of Delegation of Authority

1. *Purpose.* This regulation revokes a delegation of authority to represent the consumer interests of the executive agencies of the Federal Government in a transportation proceeding which has been terminated.

2. *Effective date.* This regulation is effective immediately.

3. *Expiration date.* This regulation expires October 31, 1974.

4. *Revocation.* This revocation identifies the delegation which is no longer in force due to completion of the proceeding for which it was issued. Accordingly, the following FPMR temporary regulation is hereby revoked:

No.	Date	Subject
G-5.....	Aug. 22, 1969	Delegation of authority to Secretary of Defense—regulatory proceeding.

ARTHUR F. SAMPSON,
Administrator of General Services.

OCTOBER 25, 1974.

[FR Doc. 74-25780 Filed 11-4-74; 8:45 am]

Public Buildings Service

[Wildlife Order 124]

PORTION, NAVAL AIR STATION, MOFFETT FIELD, CALIF. N-CALIF-693-C

Transfer of Property

Pursuant to section 2 of Public Law 537, Eightieth Congress, approved May 19, 1948 (16 U.S.C. 667c), notice is hereby given that:

1. By letter from the General Services Administration, San Francisco, California, Regional Office, dated October 8, 1974, approximately 37.26 acres of unimproved fee property and 38.72 acres in easements, identified as a portion, Naval Air Station, Moffett Field, Calif., were transferred to the Department of the Interior for use by the Fish and Wildlife Service.

2. The above described property was conveyed for wildlife conservation purposes in accordance with the provisions of section 1 of said Public Law 537 (16 U.S.C. 667b), as amended by Public Law 92-432.

Dated: October 25, 1974.

I. E. FRIEDLANDER,
Acting Commissioner,
Public Buildings Service.

[FR Doc. 74-25781 Filed 11-4-74; 8:45 am]

NATIONAL SCIENCE FOUNDATION

ADVISORY COMMITTEE ON ENERGY FACILITY SITING

Notice of Meeting

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), notice is

¹ All banking data are as of December 31, 1973, and reflect bank holding company formations and acquisitions approved by the Board to September 30, 1974.

hereby given of the Advisory Committee on Energy Facility Siting to be held at 9 a.m. on November 20, 1974, in the Main Conference Center, the MITRE Corporation, Westgate Research Park, McLean, Virginia.

The purpose of the Committee is to provide recommendations concerning the plans, status, and results of NSF sponsored studies relating to the siting of energy facilities such as electrical power producing plants and associated support facilities.

The agenda is as follows:

Introductory Remarks
Organizational Structure
Briefing and Discussion of NSF/OEP Sponsored Studies:
Assessment of Energy Parks vs. Dispersed Electric Power Generating Facilities
Michigan Energy Industrial Center Study
Future Activities
Summary and Closing Remarks

This meeting shall be open to the public. Individuals who wish to attend should inform Dr. Hans L. Hamester, Energy Policy Analyst, Office of Energy R&D Policy, by telephone 202/632-7804 or by mail (Rm. 537, National Science Foundation, Washington, D.C. 20550) prior to the meeting. Persons requiring further information concerning this Committee should contact Dr. Hans L. Hamester at the above address. Summary minutes of this meeting may be obtained from the Management Analysis Office, Rm. K-720, National Science Foundation, Washington, D.C. 20550.

R. GAIL ANDERSON,
Acting Committee Management Officer.

OCTOBER 31, 1974.

[FR Doc.74-25765 Filed 11-4-74;8:45 am]

OFFICE OF MANAGEMENT AND BUDGET

CLEARANCE OF REPORTS

List of Request

The following is a list of requests for clearance of reports intended for use in collecting information from the public received by the Office of Management and Budget on October 31, 1974 (44 U.S.C. 3509). The purpose of publishing this list in the Federal Register is to inform the public.

The list includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; the frequency with which the information is proposed to be collected; the name of the reviewer or reviewing division within OMB, and an indication of who will be the respondents to the proposed collection.

The symbol (x) identifies proposals which appear to raise no significant issues, and are to be approved after brief notice through this release.

Further information about the items on this Daily List may be obtained from the Clearance Office, Office of Management and Budget Washington, D.C. 20503 (202-395-4529), or from the reviewer listed.

NEW FORMS DEPARTMENT OF COMMERCE

Bureau of the Census: Control Card Questionnaire, Forms LMS-1X, LMS-2X, LMS-3X, LMS-9X, Single time Planchon (395-3898), Strasser (395-3880), Participants in manpower admin.'s CETA program.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

National Institute of Education: Linkage Client Mail Questionnaire and Interview Schedule, Form NIE 90, Single time, HRD (395-3532), Planchon (395-3898), Clients of educational linkage organizations.
Social Security Administration: Request to Establish Eligibility for the Examination (Clinical Laboratory Technologist-Admittance and Result Card), Forms SSA 3060, SSA 3061, SSA 3062, Single time, Caywood (395-3443), Applicants.

Request to Establish Eligibility by Examination (Cytotechnology—Admittance and Result Card), Form SSA 3059, 3063, 3064, Single time, Caywood (395-3443), Applicants.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Departmental: Part B Application Target Projects Program with Related Forms, Form HUD 5400B, Single time, HRD (395-3532), GSA (343-3816), Local housing auth.

REVISIONS

ACTION

Peace Corps FARM/SHOP/PRO Application, Form ACTION A-628, Occasional, Lowry (395-3772), Professors.

DEPARTMENT OF TRANSPORTATION

U.S. Coast Guard: Oaths on Registry, License, or Enrollment and License of Vessel, Form CG 1259, Occasional, Lowry (395-3772), Corps. owning vessels.

EXTENSIONS

EXECUTIVE OFFICE OF THE PRESIDENT

Office of Economic Opportunity:
Contractor's Financial Analysis, Form OEO 193, Occasional, Evinger (x) (395-3648).
Contract Fund Status Report, Form OEO 182, Occasional, Evinger (x) (395-3648).

ACTION

Survey Questionnaire of VISTA Applicants who Decline Invitations to Serve, Form A-587, Quarterly, Evinger (395-3648), VISTA applicants.

NATIONAL SCIENCE FOUNDATION

Request by U.S. Institution for an Education Allowance, Form 220, Annual, Evinger (395-3648), (x).

Request by U.S. or Foreign Institution for an Allowance, Form 221, Annual, Evinger (x) (395-3648).

Starting Information from Institution for Graduate Fellows, Form 219, Annual, Evinger (x) (395-3648).

PHILLIP D. LARSEN,
Budget and Management Officer.

[FR Doc.74-25958 Filed 11-4-74;8:45 am]

POSTAL SERVICE

MAIL TO FRANCE

Suspension of Private Express Statutes

French postal workers have gone on strike. The U.S. Postal Service has placed an embargo on all mail addressed to France.

In view of the strike, the Postal Service has determined that it is in the public interest to suspend and hereby does suspend the operation of 39 U.S.C. 601(a) (1) through (6) and 39 CFR 310.2(b) (1) through (6) so as to permit the carriage of letters destined for delivery in France out of the mails without paying postage or meeting any of the other conditions in such provisions of law and regulation. This suspension shall remain in effect until further notice.

(39 U.S.C. 401, 404, 601).

LOUIS A. COX,
General Counsel.

[FR Doc.74-26057 Filed 11-4-74;12:08 pm]

SMALL BUSINESS ADMINISTRATION

INVESTAT CORP.

Notice of Issuance of Small Business Investment Company License

On September 9, 1974, a notice was published in the FEDERAL REGISTER (39 FR 32583) stating that an application had been filed by Invesat Corporation, Deposit Guaranty Bank Building, Jackson, Mississippi 39201, with the Small Business Administration (SBA), pursuant to §107.102 of the Regulations governing small business investment companies (13 CFR (1974) for a license to operate as a small business investment company.

Interested parties were given until the close of business on September 19, 1974, to submit their written comments to SBA. No comments were received.

Notice is hereby given that, pursuant to section 301(c) of the Small Business Investment Act of 1958, as amended, after having considered the application and all other pertinent information, SBA issued License No. 04/04-0110 to Invesat Corporation on September 19, 1974.

Included in the original publication was a notice to issue a license to a wholly owned subsidiary operating as a section 301(d) licensee known as Invesat Capital Corporation.

However, the creation of the proposed subsidiary has not as yet been accomplished. Accordingly, a license was not issued to Invesat Capital Corporation and this matter is still pending before SBA.

Dated: October 23, 1974.

JAMES THOMAS PHELAN,
Deputy Associate Administrator
for Investment.

[FR Doc.74-25769 Filed 11-4-74;8:45 am]

INDIANAPOLIS DISTRICT ADVISORY COUNCIL MEETING

Notice of Meeting

The Small Business Administration Indianapolis District Advisory Council will meet at 10 a.m., Eastern Standard Time, Tuesday, December 3, 1974, at the Quality Motel, 1530 North Meridian Street, Indianapolis, Indiana, to discuss such business as may be presented by members, the staff of the Small Business

Administration, and others attending. Further information, call or write William F. Miller, Small Business Administration, 36 South Pennsylvania Street, Indianapolis, Indiana 46204, (317) 633-7523.

Dated: October 29, 1974.

JOHN JAMESON,
Director, Office of Advisory
Councils, Small Business Administration.

[FR Doc.74-25770 Filed 11-4-74;8:45 am]

TARIFF COMMISSION

[337-39]

CHAIN DOOR LOCKS

Notice of Investigation and Hearing

A complaint under section 337 of the Tariff Act of 1930 (19 U.S.C. 1337), was filed with the United States Tariff Commission on June 21, 1973, and amended on June 17, 1974, on behalf of Ideal Security Hardware Corporation of St. Paul, Minnesota, alleging unfair methods of competition and unfair acts in the importation and sale of certain chain door locks by reason of their being embraced within the claims of U.S. Patents Nos. 3,161,035; 3,275,364; and 3,395,556, which are owned by the complainant. The complainant alleges that the effect or tendency of the unfair methods or acts is to destroy or substantially injure an industry, efficiently and economically operated, in the United States in violation of the provisions of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337).

Having conducted a preliminary inquiry with respect to the matters alleged by the said complainant, the United States Tariff Commission, on October 29, 1974, ordered:

That for the purposes of section 337 of the Tariff Act of 1930, an investigation is instituted with respect to the alleged violations thereof.

That a public hearing be held on December 5, 1974, at 10 a.m., e.s.t., in the Hearing Room, U.S. Tariff Commission Building, 8th and E Streets NW., Washington, D.C. All parties concerned will be afforded an opportunity to be present, to produce evidence, and to be heard concerning the subject matter of the investigation. Interested parties desiring to appear and give testimony at the hearing should notify the Secretary of the Commission, in writing, not later than noon, Friday, November 29, 1974.

Public notice of the receipt of the original and the amended complaints were published in the FEDERAL REGISTER on July 31, 1973, and July 30, 1974 (38 FR 20381 and 39 FR 27614). The complaint and the amended complaint were served upon the parties named in the complaint and have been available for inspection by interested persons continually since issuance of the notice of preliminary inquiry, at the Office of the Secretary, located in the U.S. Tariff Commission Building and in the New York City Office of the

Commission, located in Room 437 of the Customhouse.

By order of the Commission.

Issued: October 31, 1974.

[SEAL] KENNETH R. MASON,
Secretary.
[FR Doc.74-25808 Filed 11-4-74;8:45 am]

VETERANS ADMINISTRATION SPECIAL MEDICAL ADVISORY GROUP

Notice of Meeting

The Veterans Administration gives notice pursuant to Public Law 92-463 that a meeting of the Special Medical Advisory Group, authorized by section 4112(a) of Title 38, United States Code, will be held in the Administrator's Conference Room at the Veterans Administration Central Office, 810 Vermont Avenue NW., Washington, DC, on November 18 and 19, 1974. The committee members will review various aspects of patient care, education, and research activities, and other plans and programs concerning the Veterans Administration health care system.

The initial general session will convene at 9 a.m. It will be open to the public up to the seating capacity of the room. Because this capacity is limited, it will be necessary for those wishing to attend to contact Mr. Jack S. Westall, Executive Secretary, Special Medical Advisory Group, Veterans Administration Central Office (phone 202-389-2588) prior to November 14, 1974.

The meeting of the Subcommittee on Academic Affairs of the Special Medical Advisory Group, November 18, 1974, 2 p.m.-5 p.m., will be closed; and the 8:30 a.m.-9:30 a.m. general session, November 19, 1974, will be closed for the report and recommendations of this subcommittee. The subcommittee reviews grant applications and makes recommendations essential to the decision-making role of the Agency. Exemption 5 (5 U.S.C. 552(b)(5)), of the Freedom of Information Act, protects the candid exchange of views anticipated in this subcommittee's deliberations.

Dated: October 31, 1974.

[SEAL] R. L. ROUDEBUSH,
Administrator.
[FR Doc.74-25837 Filed 11-4-74;8:45 am]

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

VIRGIN ISLANDS STANDARDS

Notice of Approval

1. *Background.* Part 1953 of Title 29, Code of Federal Regulations prescribes procedures under section 18 of the Occupational Safety and Health Act of 1970 (hereinafter called the Act) by which the Assistant Regional Director for Occupational Safety and Health (hereinafter called the Assistant Regional Director) under a delegation of authority

from the Assistant Secretary of Labor for Occupational Safety and Health (hereinafter called the Assistant Secretary), (29 CFR 1953.4) will review and approve standards promulgated pursuant to a State plan which has been approved in accordance with section 18(c) of the Act and 29 CFR Part 1902. On September 11, 1973, notice was published in the FEDERAL REGISTER (38 FR 24896) of the approval of the Virgin Islands plan and adoption of Subpart S to Part 1952 containing the decision.

The Virgin Islands plan provides for the adoption of Federal standards as Virgin Islands standards by reference without publishing such regulations in full, provided that such regulations shall be clearly identified in the adopting regulation, and that copies of the FEDERAL REGISTER containing such regulations shall be maintained in the Office of the Lieutenant Governor, available for inspection by the public. Section 1952.253 of Subpart S sets forth the Virgin Islands schedule for the adoption of Federal standards. By a letter dated April 2, 1974 from Jean D. Larsen, Assistant Commissioner, Virgin Islands Division of Occupational Safety and Health, to Richard F. Andree, Associate Assistant Regional Director for Federal and State Operations, which is being incorporated as part of the plan in accordance with 29 CFR Part 1953, the Virgin Islands submitted regulations adopting Federal occupational safety and health standards, comparable to 29 CFR Parts 1910, 1918, and 1926. The authority to adopt such standards is contained in Title 3, Section 940 of the Virgin Islands Code. These regulations, which are contained in Chapter 24, Virgin Islands rules and regulations (VIRR), Subchapters 36(b) 1, 36(b) 2, and 36(b) 3, were promulgated on March 21, 1974. The Virgin Islands approved plan excludes Subpart D of 29 CFR Part 1926 (Occupational Health and Environmental Control), Subpart G of 29 CFR Part 1910 (Occupational Health and Environmental Control) and § 1910.13 (Ship repairing), § 1910.14 (Shipbuilding), § 1910.15 (Shipbreaking), and § 1910.16 (Longshoring), which reference 29 CFR Parts 1915, 1916, 1917 and 1918. In addition, § 1910.19 (Asbestos Dust) of 29 CFR Part 1910 and 29 CFR Part 1919 (Gear Certification) are excluded by the scope of the Virgin Islands 18(b) plan. Notwithstanding the exclusion of Longshoring, 29 CFR Part 1918 has been adopted by reference since 29 CFR 1926.605 (Marine Operations and Equipment) references 29 CFR Part 1918.

2. *Decision.* Having reviewed the Virgin Islands Regulations providing for the adoption of Federal standards by reference it has been determined that Virgin Islands Regulations are identical to Federal standards.

3. *Location of supplement for inspection and copying.* A copy of the standards supplement, along with the approved plan, may be inspected and copied during the normal business hours at the following locations: Office of the Assistant Regional Director, Region II, 1515 Broadway, Room 3445, New York, New York,

10036; and Office of the Associate Assistant Secretary for Regional Programs, Room 850, 1726 M Street NW., Washington, D.C. 20210; and at the Department of Labor, Government of the Virgin Islands, Dronigans Gade, Charlotte Amalie, St. Thomas, V.I. 00801; and at Hospital Street, Christiansted, St. Croix, V.I. 00820.

4. *Public participation.* Under 29 CFR 1953.2(c) the Assistant Secretary may prescribe alternative procedures to expedite the review process or for other good cause which may be consistent with applicable laws. The Assistant Secretary finds that good cause exists for not publishing the supplement to the Virgin Islands plan as a proposed change and making the Assistant Regional Director's approval effective upon publication for the following reasons:

1. The standards are identical to the Federal standards and are therefore deemed to be at least as effective.

2. The standards were adopted in accordance with the procedural requirements of State law and further participation would be unnecessary.

This decision is effective November 5, 1974.

(Sec. 18, Pub. L. 91-596, 84 Stat. 1608 (29 U.S.C. 687))

Signed at New York, N.Y., this 10th day of October 1974.

ALFRED BARDEN,
Assistant Regional Director,
Occupational Safety and Health.

[FR Doc. 74-25737 Filed 11-4-74; 8:45 am]

Office of the Secretary
SECRETARY OF THE TREASURY
Certification of States

Pursuant to section 3304(a) of the Internal Revenue Code of 1954 (26 U.S.C. 3304(a)) the unemployment compensation laws of the following States have heretofore been approved:

Alabama	Montana
Alaska	Nebraska
Arizona	Nevada
Arkansas	New Hampshire
California	New Jersey
Colorado	New Mexico
Connecticut	New York
Delaware	North Carolina
District of Columbia	North Dakota
Florida	Ohio
Georgia	Oklahoma
Hawaii	Oregon
Idaho	Pennsylvania
Illinois	Puerto Rico
Indiana	Rhode Island
Iowa	South Carolina
Kansas	South Dakota
Kentucky	Tennessee
Louisiana	Texas
Maine	Utah
Maryland	Vermont
Massachusetts	Virginia
Michigan	Washington
Minnesota	West Virginia
Mississippi	Wisconsin
Missouri	Wyoming

In accordance with the provisions of section 3304(c) of the Internal Revenue Code of 1954 (26 U.S.C. 3304(c)), I

hereby certify the foregoing States to the Secretary of the Treasury for the taxable 12-month period ending October 31, 1974.

PETER J. BRENNAN,
Secretary of Labor.

OCTOBER 31, 1974.

[FR Doc. 74-25733 Filed 11-4-74; 8:45 a.m.]

SECRETARY OF THE TREASURY
Certification of State Unemployment
Compensation Laws

The unemployment compensation laws of the States listed below, having been certified pursuant to paragraph (3) of section 3303(b) of the Internal Revenue Code of 1954 (26 U.S.C. 3303(b)(3)) and each of the States so listed having been certified by me to the Secretary of the Treasury for the taxable 12-month period ending October 31, 1974, as provided in section 3304 of the Internal Revenue Code of 1954 (26 U.S.C. 3304) are hereby certified, pursuant to paragraph (1) of section 3303(b) of the Internal Revenue Code of 1954 (26 U.S.C. 3303(b)(1)), to the Secretary of the Treasury for the taxable 12-month period ending October 31, 1974.

Alabama	Montana
Alaska	Nebraska
Arizona	Nevada
Arkansas	New Hampshire
California	New Jersey
Colorado	New Mexico
Connecticut	New York
Delaware	North Carolina
District of Columbia	North Dakota
Florida	Ohio
Georgia	Oklahoma
Hawaii	Oregon
Idaho	Pennsylvania
Illinois	Rhode Island
Indiana	South Carolina
Iowa	South Dakota
Kansas	Tennessee
Kentucky	Texas
Louisiana	Utah
Maine	Vermont
Maryland	Virginia
Massachusetts	Washington
Michigan	West Virginia
Minnesota	Wisconsin
Mississippi	Wyoming
Missouri	

PETER J. BRENNAN,
Secretary of Labor.

OCTOBER 31, 1974.

[FR Doc. 74-25734 Filed 11-4-74; 8:45 am]

Office of the Secretary
EMPLOYEE RETIREMENT INCOME
SECURITY ACT OF 1974

Establishment, Delegation of Authority and Appointment of Members for the Joint Board for the Enrollment of Actuaries

1. *Establishment of Joint Board.* Pursuant to section 3041 of the Employee Retirement Income Security Act of 1974, there is hereby established a Joint Board for the Enrollment of Actuaries.

2. *Duties of Joint Board.* The Joint Board shall have responsibility for:

(A) Establishing standards and qualifications for persons performing actuarial

services with respect to employee benefit plans covered by the Act to practice before the Department of Labor and the Internal Revenue Service.

(B) Enrolling individuals pursuant to those standards and qualifications, and

(C) Suspending or terminating the enrollment of such individuals, pursuant to section 3042 of the Employee Retirement Income Security Act of 1974. All regulations of the Joint Board shall be approved by the Secretary of Labor or his delegate and the Secretary of the Treasury or his delegate before they are issued.

3. *Membership.* The Joint Board shall consist of not less than five nor more than nine members, who shall be appointed by the Secretary of Labor and the Secretary of the Treasury, either jointly or separately in such proportions as the two secretaries shall determine. Each member shall serve at the pleasure of the appointing Secretary or Secretaries.

4. *Bylaws.* The Joint Board shall propose bylaws (and amendments to bylaws) relating to the conduct of its business and the exercise of its rights and powers. Such bylaws (and amendments to bylaws) shall be approved by the Secretary of Labor or his delegate and the Secretary of the Treasury or his delegate prior to their adoption.

5. *Appointments.* The following persons are hereby appointed as members of the Joint Board for the Enrollment of Actuaries established pursuant to section 3041 of the Employee Retirement Income Security Act of 1974:

The Deputy Secretary of the Treasury, or his Delegate

The General Counsel for the Department of the Treasury, or his Delegate

The Commissioner of Internal Revenue, or his Delegate

The Under Secretary of Labor or his Delegate

The Solicitor of Labor, or his Delegate

Signed at Washington, D.C., this 31st day of October, 1974.

WILLIAM E. SIMON,
Secretary of the Treasury.

[FR Doc. 74-25814 Filed 11-4-74; 8:45 am]

PPG INDUSTRIES, INC.

Notice of Determinations on Petitions of Workers for Certification of Eligibility to Apply for Adjustment Assistance

Under date of September 5, 1974, a petition requesting certification of eligibility to apply for adjustment assistance was filed with the Director, Office of Foreign Economic Policy, Bureau of International Labor Affairs, by the United Glass and Ceramic Workers of North America, AFL-CIO, and by the Window Glass Cutters League of America, AFL-CIO, on behalf of workers and former workers of the Henryetta, Oklahoma sheet glass plant of PPG Industries, Inc., Pittsburgh, Pennsylvania. Under date of September 16, 1974, a petition requesting certification of eligibility to apply for adjustment assistance was filed with the Director of the Office of Foreign Economic Policy by the United Glass and

Ceramic Workers of North America, AFL-CIO, and by the Window Glass Cutters League of America, AFL-CIO, on behalf of workers and former workers of the Clarksburg, West Virginia sheet glass plant of PPG Industries, Inc. The requests for certification were made under Proclamation 3967 (Adjustment of Duties on Certain Sheet Glass) of February 27, 1970. In that proclamation the President, among other things, acted to provide under section 302(a)(3) with respect to the sheet glass industry that its workers may request the Secretary of Labor for certifications of eligibility to apply for adjustment assistance under Chapter 3, Title III, of the Trade Expansion Act of 1962.

The Act, section 302(b)(2), provides that the Secretary of Labor shall certify as eligible to apply for adjustment assistance under Chapter 3 any group of workers in an industry with respect to which the President has acted under section 302(a)(3), upon a showing by such group of workers to the satisfaction of the Secretary of Labor that the increased imports (which the tariff Commission has determined to result from concessions granted under trade agreements) have caused or threaten to cause unemployment or underemployment of a significant number or proportion of workers of such workers' firm or subdivision thereof. The same degree of causal connection is applicable here as under the tariff adjustment and other adjustment assistance provisions; that is, the increased imports have been the major factor.

The Director, Office of Foreign Economic Policy, upon receipt of the September 5, 1974 petition, instituted an investigation, the scope of which was subsequently amended upon receipt of the September 16, 1974 petition (Notice of Delegation of Authority and Notice of Investigation and Notice of Amendment of Scope of Investigation, 34 FR 18342, 37 FR 2472, 39 FR 33038, 39 FR 34349, 29 CFR 90.11). After that, the Director made a recommendation to me relating to the matter of certification. In the recommendation she noted that a significant number or proportion of the workers at the Clarksburg, West Virginia and Henryetta, Oklahoma plants became unemployed or underemployed when the firm began to curtail production at the Clarksburg plant in September 1973 and at the Henryetta plant in May 1974. She further noted that imports of sheet glass of the types produced at the Clarksburg and Henryetta plants decreased substantially from prior levels during 1973 and the first six months of 1974. The primary factor in the company's decision to phase out production at the two plants was the accelerating decline in domestic building construction. Residential housing starts in the United States declined significantly from 1972 to 1973, and declined sharply in the first eight months of 1974 compared to the first eight months of 1973. Nearly all of the sheet glass produced at the Clarksburg and Henryetta plants is used in building construction. Also a factor in

the closing of the two plants was increasing customer preference for float glass over sheet glass. Float glass is a higher quality glass than sheet glass and can be produced in window glass thicknesses at about the same cost as sheet glass. Domestic production as well as PPG's production of float glass increased substantially from 1971 to 1972 and from 1972 to 1973.

After due consideration, I have concluded that increased imports of sheet glass were not the major factor causing the unemployment or underemployment of the workers at the Henryetta, Oklahoma and Clarksburg, West Virginia plants of PPG Industries, Inc., Pittsburgh, Pennsylvania. Accordingly, I make no certification of eligibility to apply for adjustment assistance.

Signed at Washington, D.C. this 31st day of October 1974.

JOEL SEGALL,
Deputy Under Secretary
International Affairs.

[FR Doc.74-25809 Filed 11-4-74; 8:45 am]

JOHN SWENSON GRANITE CO., INC.

Notice of Certification of Eligibility of Workers to Apply for Adjustment Assistance

Under date of October 1, 1974, the U.S. Tariff Commission made a report of the results of its investigation (TEA-W-240) under section 301(c)(2) of the Trade Expansion Act of 1962 (76 Stat. 884) in response to a petition for determination of eligibility to apply for adjustment assistance on behalf of the workers and former workers of The John Swenson Granite Co., Inc., Concord, New Hampshire. In this report, the Commission found that articles like or directly competitive with manufactured granite produced by The John Swenson Granite Co., Inc. are, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause unemployment or underemployment of a significant number or proportion of the workers of such firm or an appropriate subdivision thereof.

Upon receipt of the Tariff Commission's affirmative finding, the Department, through the Acting Director of the Office of Foreign Economic Policy, Bureau of International Labor Affairs, instituted an investigation (Notice of Delegation of Authority and Notice of Investigation, 34 FR 18342; 37 FR 2472; 39 FR 36520; 29 CFR Part 90).

Following this, the Director made a recommendation to me relating to the matter of certification. In the recommendation, she noted that concession generated imports like or directly competitive with manufactured granite produced by The John Swenson Granite Co., Inc. more than tripled from 1967 to 1973. Despite efforts to compete effectively in the domestic granite market, The John Swenson Granite Co., Inc. was not able to overcome the price advantage gained by foreign, manufactured granite pro-

ducers as a result of tariff reductions. Company production began a steady downward trend in mid-1971 when work on major contracts neared completion and the company was unable, due to increased import competition, to secure significant additional contracts. Most recently, the company lost a major contract to imported granite in 1973. Labor force reductions required by declining production at The John Swenson Granite Co., Inc. began in August 1971. Unemployment of the company's workers, caused in major part by increased import competition, began in August 1971 and continues to date. After due consideration, I make the following certification:

All hourly and salaried employees of The John Swenson Granite Co., Inc., Concord, New Hampshire, who became or will become unemployed or underemployed after July 31, 1971 are eligible to apply for adjustment assistance under Title III, Chapter 3, of the Trade Expansion Act of 1962.

Signed at Washington, D.C. this 29th day of October 1974.

JOEL SEGALL,
Deputy Under Secretary,
International Affairs.

[FR Doc.74-25810 Filed 11-4-74; 8:45 am]

INTERSTATE COMMERCE COMMISSION

IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY

Gateway Elimination Applications

OCTOBER 31, 1974.

The following applications to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's Gateway Elimination Rules (49 CFR 1065(d)(2)), and notice thereof to all interested persons is hereby given as provided in such rules.

Carriers having a genuine interest in an application may file an original and three copies of verified statements in opposition with the Interstate Commerce Commission within 30 days from the date of publication. (This procedure is outlined in the Commission's report and order in Gateway Elimination 119 M.C.C. 530.) A copy of the verified statement in opposition must also be served upon applicant or its named representative. The verified statement should contain all the evidence upon which protestant relies in the application proceeding, including a detailed statement of protestant's interest in the proposal.

No. MC 4405 (Sub-No. 510G), filed June 4, 1974. Applicant: DEALERS TRANSIT, INC., P.O. Box 361, 2200 E. 170th Street, Lansing, Ill. 60438. Applicant's representative: Robert E. Joyner, 2008 Clark Tower, 5100 Poplar Avenue, Memphis, Tenn. 38137. Authority sought to operate as a common carrier, by motor

vehicle, over irregular routes, transporting: (1) *Commodities*, which because of size or weight require the use of special equipment, and (2) *self-propelled articles*, each weighing 15,000 pounds or more, and *related machinery, tools, parts, and supplies* moving in connection therewith, (a) between points in Michigan on the one hand, and, on the other, points in Colorado, Missouri, Nebraska, Kansas, Oklahoma, Texas, New Mexico, Arizona, California, and Nevada. The purpose of this filing is to eliminate the gateways at E. St. Louis, Ill., St. Louis, Mo., Oklahoma, Texas, New Mexico, and Nevada. (b) between points in Colorado, on the one hand, and, on the other, points in Arizona, California, New Mexico, Texas, Nevada, Oregon, Washington, Idaho, Montana, Wyoming, and Utah. The purpose of this filing is to eliminate the gateways at Oklahoma, Texas, and New Mexico. (c) between points in Nevada on the one hand, and, on the other, points in Colorado, Kansas, Nebraska, Missouri, and E. St. Louis, Ill. The purpose of this filing is to eliminate the gateways at Oklahoma, Texas, and New Mexico. (d) between points in Oregon and Washington on the one hand, and, on the other, points in Nebraska, Kansas, Missouri, and E. St. Louis, Ill. The purpose of this filing is to eliminate the gateways at Nevada, New Mexico, Texas, and Oklahoma.

(e) Between points in Nebraska and Kansas on the one hand, and, on the other, points in Utah, Idaho, Montana, and Wyoming. The purpose of this filing is to eliminate the gateways at Oklahoma, Texas, New Mexico, Colorado, and California. (f) between points in Nevada on the one hand, and, on the other, points in Utah, Idaho, Montana, and Wyoming. The purpose of this filing is to eliminate the gateway at California. (g) between points in Oregon, Washington, Idaho, Montana, Wyoming, and Utah on the one hand, and, on the other, points in Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, New Mexico, North Carolina, South Carolina, Tennessee, Texas, Virginia, and West Virginia. The purpose of this filing is to eliminate the gateways at Mississippi, Arkansas, Texas, New Mexico, Nevada, and California. (h) between points in California on the one hand, and, on the other, points in Arizona. The purpose of this filing is to eliminate the gateway at Nevada. (i) between points in Arizona on the one hand, and, on the other, points in Idaho, Montana, Oregon, Utah, Washington, and Wyoming. The purpose of this filing is to eliminate the gateways at Nevada and California. (j) between points in Michigan, Indiana, Ohio, and Kentucky on the one hand, and, on the other, points in Idaho, Montana, Oregon, Utah, Washington, and Wyoming. The purpose of this filing is to eliminate the gateways at Arkansas, Mississippi, Texas, New Mexico, California, and Nevada.

No. MC 7920 (Sub-No. 12G), filed June 4, 1974. Applicant: HERRIOTT TRUCKING COMPANY, INC., Alice and Sumner Street, P.O. Box 191, East Palestine,

Ohio 44413. Applicant's representative: A. Charles Tell, 100 East Broad Street, Columbus, Ohio 43215. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Hamburg, New York, on the one hand, and, on the other, points in that part of Pennsylvania on, south, and west of a line beginning at the Ohio-Pennsylvania State line over Interstate Highway 80 to junction Pennsylvania Highway 26, thence south over Pennsylvania Highway 26 to junction U.S. Highway 322, thence east over U.S. Highway 322 to junction U.S. Highway 522, thence south over U.S. Highway 522 to the Pennsylvania-Maryland State line. The purpose of this filing is to eliminate the gateway at Darlington, Pa.

No. MC 42537 (Sub-No. 31G), filed June 4, 1974. Applicant: CASSENS TRANSPORT COMPANY, a Corporation, P.O. Box 468, Edwardsville, Ill. 62025. Applicant's representative: Donald W. Smith, Suite 2465, One Indiana Square, Indianapolis, Ind. 46204. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Automobiles, trucks, busses, chassis, cabs, and bodies*, in secondary movements, in truckaway service, between points in Iowa on the one hand, and, on the other, points in Missouri. The purpose of this filing is to eliminate the gateways of Venice, Ill., and Illinois.

No. MC 44735 (Sub-No. 17G), filed June 4, 1974. Applicant: KISSICK TRUCK LINES, INC., 7101 East 12th Street, Kansas City, Mo. 64126. Applicant's representative: John E. Jandera, 641 Harrison Street, Topeka, Kans. 66603. Authority sought to operate as a *common carrier*, by motor vehicle over irregular routes, transporting: *Iron and steel articles*, (1) from Alton, Ill., and St. Louis, Mo./East St. Louis, Ill., Commercial Zone, to points in Oklahoma and Iowa, and (2) from Kansas City, Kansas/Missouri, Commercial Zone, to points in Indiana and Wisconsin. The purpose of this filing is to eliminate the gateways of Kansas City, Kans., and Kansas City, Mo.

No. MC 52932 (Sub-No. 28G), filed June 5, 1974. Applicant: NORTH PENN TRANSFER, INC., Box 230, Lansdale, Pa. 19446. Applicant's representative: John W. Frame, Box 626, 2207 Old Gettysburg Road, Camp Hill, Pa. 17011. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Machinery* which because of size or weight requires the use of special equipment, between points in Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, Ohio, and the District of Columbia, on the one hand, and, on the other, points in Massachusetts, Connecticut, Rhode

Island, New York, New Jersey, Delaware, Maryland, Virginia, North Carolina, Ohio, and the District of Columbia. The purpose of this filing is to eliminate the gateways at Montgomery, Bucks, Delaware, and Philadelphia Counties, Pa.

No. MC 61592 (Sub-No. 318G), filed June 4, 1974. Applicant: JENKINS TRUCK LINE, INC., R.R. 3, Box 697, Jeffersonville, Ind. 47130. Applicant's representative: E. A. DeVine, P.O. Box 737, 101 First Avenue, Moline, Ill. 61265. Authority sought to operate as a *common carrier*, over irregular routes, transporting: (1) *Tractors* (except those with vehicle beds, bed frames, and fifth wheels), *agricultural implements and attachments and parts for tractors and agricultural implements*, from the plants, warehouse sites, and experimental farms of Deere & Company located in Wapello County, Iowa, to points in Louisiana, Michigan, and Missouri. The purpose of this filing is to eliminate the gateway of Port Washington, Wis. (2) *farm tractors and garden tractors and agricultural implements*, from points in Illinois on and north of U.S. Highway 40, to points in Alabama, Arkansas, Connecticut, Florida, Georgia, Indiana, Iowa, Kansas, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New York, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, and Virginia, restricted to the transportation of traffic (a) originating at the plant sites or warehouse facilities of International Harvester Company and (b) destined to the destination points specified above, except that the restriction in (b) shall not apply to traffic moving in foreign commerce. The purpose of this filing is to eliminate the gateway of Rock Island, Ill. (3) *agricultural implements and parts*, from points in Iowa, to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Michigan, Pennsylvania, and South Carolina, restricted to the transportation of traffic (a) originating at the plant site or warehouse facilities of International Harvester Company and (b) destined to the destination points specified above, except that the restriction in (b) shall not apply to traffic moving in foreign commerce. The purpose of this filing is to eliminate the gateway of Rock Island, Ill.

(4) *Lumber*, from points in that part of Illinois on and north of U.S. Highway 24, to points in California. The purpose of this filing is to eliminate the gateway at Arkansas. (5) *lumber*, from points in that part of Illinois on and north of U.S. Highway 24, to points in Minnesota, Ohio, and Pennsylvania. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (6) *lumber*, from points in that part of Illinois on and north of U.S. Highway 24, to points in Alabama, Florida, Georgia, Kansas, Louisiana, Massachusetts, Nebraska, New Jersey, New Mexico, New York, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (7) *agricultural implements*, from Memphis,

Tenn., to points in Oklahoma and Texas. The purpose of this filing is to eliminate the gateway of Electric Mills, Miss. (8) *agricultural implements*, from Memphis, Tenn., to points in California, Louisiana, New Mexico, New York, Oklahoma, and Texas. The purpose of this application is to eliminate the gateway of Atlanta, Ga. (9) *fiber tubes and fiber conduit*, from Louisiana, Mo., to points in Michigan and North Carolina. The purpose of this filing is to eliminate the gateway of Cass County, Ind. (10) *tractors* (except truck-tractors and those which because of size or weight require the use of special equipment), from Philadelphia, Pa., to points in Indiana, Kentucky, and Michigan. The purpose of this filing is to eliminate the gateway of Columbus, Ohio.

(11) *Tractors* (except truck-tractors and those that because of size and weight require special handling), from New Orleans, La., to points in Delaware, Idaho, Illinois, Indiana, Maryland, Michigan, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Texas, Virginia, Washington, West Virginia, and Louisville, Ky. This purpose of this filing is to eliminate the gateway of Port Washington, Wis. (12) *plywood*, from Covington, Tenn., to points in Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Ohio, Tennessee, and Wisconsin. The purpose of this filing is to eliminate the gateway of Terry, Miss. (13) *metal roofing and siding and prefabricated metal building products*, from Philadelphia, Pa., to points in Nebraska. The purpose of this filing is to eliminate the gateway of St. Paul, Minn. (14) *lumber*, from points in Jefferson County, Ark., to points in Illinois, Indiana, Michigan, Minnesota, Ohio, Tennessee, and Wisconsin. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (15) *lumber*, from points in Jefferson, Garland, Grant, and Nevada County, Ark., to points in Nebraska. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (16) *lumber*, from Union County, Ark., to points in Kentucky and Ohio. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (17) *lumber*, from points in Drew County, Ark., to points in Kentucky and Michigan. The purpose of this filing is to eliminate the gateway of Wright City, Mo.

(18) *Lumber*, from points in Garland County, Ark., to points in Illinois, Indiana, and Ohio. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (19) *lumber*, from points in Columbia County, Ark., to points in Indiana and Ohio. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (20) *lumber*, from points in Bradley County, Ark., to points in South Dakota. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (21) *lumber*, from points in Bradley County, Ark., to points in Ohio. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (22) *lumber*, from points in Clark County, Ark., to points in Indiana,

Kentucky, Ohio, and Wisconsin. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (23) *lumber*, from points in Grant County, Ark., to points in Michigan, Minnesota, Ohio, Pennsylvania, and Wisconsin. The purpose of this filing is to eliminate the gateway of Wright City, Mo. (24) *lumber*, from Warren, Ark., to points in Indiana, Maryland, North Carolina, Tennessee, and Virginia. The purpose of this filing is to eliminate the gateways of points in Iowa east of U.S. Highway 65 and points in Cass County, Ind. (25) *tractors and attachments*, from Dubuque, Iowa, to points in Mississippi. The purpose of this filing is to eliminate the gateway of New Orleans, La. (26) *agricultural implements* (except commodities the transportation of which requires, because of their size or weight, the use of special equipment), from the facilities used by the Deutz Tractor Corporation located in St. Charles County, Mo., and St. Louis, Mo., to points in Wisconsin. The purpose of this filing is to eliminate the gateway of Moline, Ill.

No. MC 83539 (Sub-No. 390G), filed June 4, 1974. Applicant: C & H TRANSPORTATION CO., INC., 1936-2010 West Commerce St., P.O. Box 5976, Dallas, Tex. 75222. Applicant's representative: Thomas E. James (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (A) *Commodities*, the transportation of which because of size or weight require the use of special equipment, (B) *self-propelled articles* each weighing 15,000 pounds or more (except in driveway service), and (C) *related machinery parts, materials, and supplies* moving in mixed loads, respectively, with the commodities described in (A) and (B) above, (1) (a) between points in Alabama, on the one hand, and, on the other, points in Connecticut, Delaware, District of Columbia, Maryland, Massachusetts, and Rhode Island. The purpose of this filing is to eliminate the gateways at points in Mississippi and Oil City or Braddock and Philadelphia, Pa. (1) (b) between points in Alabama, on the one hand, and, on the other, points in Kentucky and West Virginia. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn. (1) (c) between points in Alabama, on the one hand, and, on the other, points in New York and Pennsylvania. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn., Philadelphia, Pa., and points in Virginia. (2) (a) between points in Arizona, on the one hand, and, on the other, points in Idaho, Oregon, and Washington. The purpose of this filing is to eliminate the gateways at points in Colorado and western Montana. (2) (b) between points in Arizona, on the one hand, and, on the other, points in Minnesota. The purpose of this filing is to eliminate the gateways at points in New Mexico and Illinois. (3) (a) between points in Arkansas, on the one hand, and, on the other, points in the District of Columbia and Rhode Is-

land. The purpose of this filing is to eliminate the gateways at Oil City or Braddock and Philadelphia, Pa. (3) (b) between points in Arkansas, on the one hand, and, on the other, points in Minnesota. The purpose of this filing is to eliminate the gateways at points in Illinois.

(4) (a) Between points in California, on the one hand, and, on the other, points in Kansas. The purpose of this filing is to eliminate the gateways at points in Utah, Colorado, and New Mexico. (4) (b) between points in California, on the one hand, and, on the other, points in Minnesota. The purpose of this filing is to eliminate the gateways at points in Illinois. (4) (c) between points in California, on the one hand, and, on the other, points in Idaho. The purpose of this filing is to eliminate the gateways at points in Oregon. (5) (a) between points in Colorado, on the one hand, and, on the other, points in Idaho and Oregon. The purpose of this filing is to eliminate the gateways at western Montana. (5) (b) between points in Colorado, on the one hand, and, on the other, points in Illinois. The purpose of this filing is to eliminate the gateways at points in Missouri and Wichita, Kans. (5) (c) between points in Colorado, on the one hand, and, on the other, points in Iowa, Kansas, Missouri, and Nebraska. The purpose of this filing is to eliminate the gateways at Wichita, Kans. (5) (d) between points in Colorado, on the one hand, and, on the other, points in Minnesota. The purpose of this filing is to eliminate the gateways at Wichita, Kans., points in Missouri and Illinois. (5) (e) between points in Colorado, on the one hand, and, on the other, points in New Hampshire, Ohio, and Vermont. The purpose of this filing is to eliminate the gateways at points in Utah.

(6) (a) Between points in Connecticut, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Philadelphia, and Oil City or Braddock, Pa., 50 miles of Nashville, Tenn., and points in Kentucky and Illinois. (6) (b) between points in Connecticut, on the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways at Philadelphia and Oil City or Braddock, Pa., and points in Illinois. (6) (c) between points in Connecticut, on the one hand, and, on the other, points in New Jersey, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa. (6) (d) between points in Connecticut, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa., and points in New Jersey. (7) (a) between points in Delaware, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Philadelphia and Oil City or Braddock, Pa., 50 miles of Nashville, Tenn., and points in Kentucky and Illinois. (7) (b) between points in Delaware, on the one hand, and, on

the other, points in Kentucky and Mississippi. The purpose of this filing is to eliminate the gateways at Philadelphia and Oil City or Braddock, Pa.

(7) (c) Between points in Delaware, on the one hand, and, on the other, points in Maryland. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa. (7) (d) between points in Delaware, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa., and points in New Jersey. (7) (e) between points in Delaware, on the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways at Philadelphia and Oil City or Braddock, Pa., and points in Illinois. (8) (a) between points in the District of Columbia, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Philadelphia, Oil City or Braddock, Pa., 50 miles of Nashville, Tenn., and points in Kentucky and Illinois. (8) (b) between points in the District of Columbia, on the one hand, and, on the other, points in Illinois, Indiana, Kentucky, Louisiana, and Mississippi. The purpose of this filing is to eliminate the gateways at Philadelphia, Oil City or Braddock, Pa., and points in Illinois. (8) (c) between points in the District of Columbia, on the one hand, and, on the other, points in Iowa, Missouri, and Michigan. The purpose of this filing is to eliminate the gateways at Philadelphia, Oil City or Braddock, Pa., and points in Illinois. (8) (d) between points in the District of Columbia, on the one hand, and, on the other, points in Maryland, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa.

(8) (e) Between points in the District of Columbia, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa., and New Jersey. (9) (a) between points in Florida, on the one hand, and, on the other, points in Kentucky, Virginia, and West Virginia. The purpose of this filing is to eliminate the gateway at 50 miles of Nashville, Tenn. (9) (b) between points in Florida, on the one hand, and, on the other, points in Maryland, New Jersey, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateways at 50 miles of Nashville, Tenn., Oil City or Braddock, Pa., and points in Kentucky and Illinois. (10) (a) between points in Georgia, on the one hand, and, on the other, points in Kentucky, Virginia, and West Virginia. The purpose of this filing is to eliminate the gateway at 50 miles of Nashville, Tenn. (10) (b) between points in Georgia, on the one hand, and, on the other, points in Maryland, New Jersey, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateways at 50 miles of Nashville, Tenn., Philadelphia, Pa., and points in Virginia. (11) (a) between points in Idaho, on the one

hand, and, on the other, points in Minnesota and Wisconsin. The purpose of this filing is to eliminate the gateways at points in western Montana, South Dakota, Iowa, and Illinois. (11) (b) between points in Idaho, on the one hand, and, on the other, points in New Hampshire and Vermont. The purpose of this filing is to eliminate the gateways at points in western Montana and Utah. (11) (c) between points in Idaho, on the one hand, and, on the other, points in New Mexico. The purpose of this filing is to eliminate the gateways at points in western Montana and Colorado. (11) (d) between points in Idaho, on the one hand, and, on the other, points in Utah and Wyoming. The purpose of this filing is to eliminate the gateways at points in western Montana.

(12) (a) between points in Illinois on the one hand, and, on the other, points in the Upper Peninsula of Michigan. The purpose of this filing is to eliminate the gateways at points in southeast Wisconsin. (12) (b) between points in Illinois, on the one hand, and, on the other, points in Rhode Island. The purpose of this filing is to eliminate the gateways at Oil City or Braddock and Philadelphia, Pa. (12) (c) between points in Illinois, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at points in Kentucky and 50 miles of Nashville, Tenn. (13) (a) between points in Indiana, on the one hand, and, on the other, points in Massachusetts, Rhode Island, and Virginia. The purpose of this filing is to eliminate the gateways at points in Illinois and Oil City or Braddock and Philadelphia, Pa. (13) (b) between points in Indiana, on the one hand, and, on the other, points in Maryland, New Jersey, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateway at Oil City or Braddock, Pa., and points in Illinois. (13) (c) between points in Indiana, on the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways at points in Illinois and southeast Wisconsin. (13) (d) between points in Indiana, on the one hand, and, on the other, points in North Carolina and Tennessee. The purpose of this filing is to eliminate the gateways at Kentucky and 50 miles of Nashville, Tenn.

(14) (a) Between points in Iowa, on the one hand, and, on the other, points in Minnesota. The purpose of this filing is to eliminate the gateways at points in Illinois. (14) (b) between points in Iowa, on the one hand, and, on the other, points in Wyoming. The purpose of this filing is to eliminate the gateways at points in South Dakota. (15) (a) between points in Kansas, on the one hand, and, on the other, points in Minnesota. The purpose of this filing is to eliminate the gateways at points in Missouri or Iowa, and Illinois. (15) (b) between points in Kansas, on the one hand, and, on the other, points in Utah. The purpose of this filing is to eliminate the gateways at points in Colorado and Wichita, Kans. (16) (a) between points in Kentucky, on

the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways at points in Illinois and southeast Wisconsin. (16) (b) between points in Kentucky, on the one hand, and, on the other, points in North Carolina and Tennessee. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn. (16) (c) between points in Kentucky, on the one hand, and, on the other, points in South Carolina. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn., and points in North Carolina or Georgia.

(17) (a) Between points in Maryland, on the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways at Oil City or Braddock, Pa., and points in Illinois, and southeast Wisconsin. (17) (b) between points in Maryland, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateways at points in New Jersey. (17) (c) between points in Maryland, on the one hand, and, on the other, points in Virginia. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa. (18) (a) between points in Massachusetts, on the one hand, and, on the other, points in New Jersey, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa. (18) (b) between points in Massachusetts, on the one hand, and, on the other, points in Michigan. The purpose of this filing is to eliminate the gateways at Philadelphia and Oil City or Braddock, Pa., and points in Illinois and southeast Wisconsin. (18) (c). (19) (a) between points in Michigan, on the one hand, and, on the other, points in Minnesota and Wisconsin. The purpose of this filing is to eliminate the gateways at points in Illinois.

(19) (b) Between points in Michigan, on the one hand, and, on the other, points in New Jersey, New York, and Pennsylvania. The purpose of this filing is to eliminate the gateways at Oil City or Braddock, Pa., and points in Illinois. (19) (c) between points in Michigan, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn., points in Illinois and Kentucky. (20) (a) between points in Minnesota, on the one hand, and, on the other, points in Missouri, Wisconsin, Nebraska, New Mexico, Oklahoma, Texas, and Utah. The purpose of this filing is to eliminate the gateways at points in Illinois. (20) (b) between points in Minnesota, on the one hand, and, on the other, points in Wyoming. The purpose of this filing is to eliminate the gateways at points in Illinois, Iowa, and South Dakota. (20) (c) between points in Minnesota, on the one hand, and, on the other, points in Oregon and Washington. The purpose of this filing is to eliminate the gateways at points in Illinois, Nebraska and western Montana. (20) (d) between points in Minnesota, on the one hand, and, on

the other, points in Virginia. The purpose of this filing is to eliminate the gateways at points in Illinois, Oil City or Braddock and Philadelphia, Pa.

(21) Between points in Missouri, on the one hand, and, on the other, points in Wyoming. The purpose of this filing is to eliminate the gateways at Wichita, Kans., and points in Colorado. (22) (a) between points in Montana, on the one hand, and, on the other, points in New Hampshire and Vermont. The purpose of this filing is to eliminate the gateways at points in Utah. (22) (b) between points in Montana, on the one hand, and, on the other, points in West Virginia. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn., and points in Nebraska, and Kansas. (23) (a) between points in Nebraska, on the one hand, and, on the other, points in Ohio and Wyoming. The purpose of this filing is to eliminate the gateways at points in South Dakota. (23) (b) between points in Nebraska, on the one hand, and, on the other, points in Wisconsin. The purpose of this filing is to eliminate the gateways at points in Illinois. (24) (a) between points in New Jersey, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Oil City or Braddock, Pa., and points 50 miles of Nashville, Tenn., and points in Kentucky. (24) (b) between points in New Jersey, on the one hand, and, on the other, points in Rhode Island. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa. (24) (c) between points in New Jersey, on the one hand, and, on the other, points in South Carolina. The purpose of this filing is to eliminate the gateways at Oil City or Braddock, Pa., and points 50 miles of Nashville, Tenn., and points in Kentucky, and points in North Carolina or Georgia. (25) (a) between points in New Mexico, on the one hand, and, on the other, points in Ohio, Vermont, and New Hampshire. The purpose of this filing is to eliminate the gateways at points in Colorado and Utah. (25) (b) between points in New Mexico, on the one hand, and, on the other, points in Oregon. The purpose of this filing is to eliminate the gateways at Colorado and western Montana.

(26) (a) Between points in New York, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateways at points in New Jersey. (26) (b) between points in New York, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa. and points 50 miles of Nashville, Tenn., and points in Virginia. (26) (c) between points in New York, on the one hand, and, on the other, points in Rhode Island and Virginia. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa. (27) from points in Ohio to points in Alabama, Florida, and Georgia. The purpose of this filing is to eliminate the gateways at points in Mississippi. (28) between points in Ohio, on the one hand, and, on the other, points in

Colorado. The purpose of this filing is to eliminate the gateways at points in Utah. (29) between points in Oregon, on the one hand, and, on the other, points in Utah and Wyoming. The purpose of this filing is to eliminate the gateways at points in western Montana. (30) (a) between points in Pennsylvania, on the one hand, and, on the other, points in Rhode Island and Virginia. The purpose of this filing is to eliminate the gateway at Philadelphia, Pa. (30) (b) between points in Pennsylvania, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa. and points 50 miles of Nashville, Tenn., and points in Virginia.

(31) Between points in Rhode Island, on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways at Philadelphia and Oil City or Braddock, Pa., and points 50 miles of Nashville, Tenn., and points in Kentucky. (32) between points in South Dakota, on the one hand, and, on the other, points in Wisconsin. The purpose of this filing is to eliminate the gateways at points in Iowa and Illinois. (33) between points in Tennessee, on the one hand, and, on the other, points in Virginia and West Virginia. The purpose of this filing is to eliminate the gateways at points 50 miles of Nashville, Tenn. (34) between points in Utah, on the one hand, and, on the other, points in Washington. The purpose of this filing is to eliminate the gateways at points in California. (35) between points in Vermont, on the one hand, and, on the other, points in Washington. The purpose of this filing is to eliminate the gateways at points in California. (36) between points in West Virginia, on the one hand, and, on the other, points in Wyoming. The purpose of this filing is to eliminate the gateways at points in Utah. (18) (c)* between points in Massachusetts, on the one hand, and, on the other, points in Cuyahoga County, Ohio. The purpose of this filing is to eliminate the gateways at Philadelphia, Pa., and points in New Jersey.

No. MC 103435 (Sub-No. 220G), filed June 3, 1974. Applicant: UNITED-BUCKINGHAM FREIGHT LINES, INC., 5773 South Prince St., P.O. Box 192, Littleton, Colo. 80120. Applicant's representative: Kenneth A. Willhite (same address as applicant). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Lumber, between points in Wyoming on the one hand, and, on the other, points in Iowa and points in Nebraska on and east of U.S. Highway 81. The purpose of this filing is to eliminate the gateway of Rapid City, S. Dak.

No. MC 107012 (Sub-No. 204G), filed June 4, 1974. Applicant: NORTH AMERICAN VAN LINES, INC., P.O. Box 988, Lincoln Highway & Meyer Road, Fort Wayne, Ind. 46801. Applicant's representative: Terry G. Fewell (same address as applicant). Authority sought to operate as a common carrier, by motor

vehicle, over irregular routes, transporting: Commercial and institutional fixtures, uncrated, (1) from points in Alabama, to points in Arizona, Arkansas, Iowa, New Mexico, Oklahoma, Texas, and New York. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (2) from points in Arizona, to points in Alabama, Arkansas, Florida, and Mississippi. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (3) from points in California, to points in Arkansas, Iowa, Louisiana, Mississippi, and Texas. The purposes of this filing is to eliminate the gateway of Greene County, Ark. (4) from points in Colorado, to points in Arkansas and Louisiana. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (5) from points in Connecticut, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (6) from points in Delaware to points in Florida, Georgia, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (7) from points in the District of Columbia, to points in Georgia, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee.

(8) From points in Florida, to points in Arizona, Arkansas, Kentucky, New Mexico, Oklahoma, Tennessee, and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (9) from points in Georgia, to points in Arkansas, Iowa, and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (10) from points in Idaho, to points in Arkansas, Texas, and Virginia. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (11) from points in Iowa, to points in Alabama, Arkansas, California, Georgia, Kentucky, Louisiana, New Mexico, North Carolina, South Carolina, Tennessee, Texas, and Virginia. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (12) from points in Kansas, to points in Arkansas, Kentucky, Louisiana, Mississippi, and Virginia. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (13) from points in Louisiana, to points in California, Colorado, Iowa, Kansas, Kentucky, Nevada, North Carolina, Oklahoma, South Carolina, Tennessee, Utah, Virginia, and Wyoming. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (14) from points in Maine, to points in North Carolina, South Carolina, and West Virginia. The purpose of this filing is to eliminate the gateways at Kentucky and Tennessee. (15) from points in Maryland, to points in Florida, Georgia, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway of Tennessee.

(16) From points in Massachusetts, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (17) from points in Minnesota, to points in

Arkansas, North Carolina, South Carolina, Tennessee, and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (18) from points in Mississippi, to points in Arizona, Arkansas, Kansas, Kentucky, New Mexico, Oklahoma, Texas, Virginia, and California. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (19) from points in Montana, to points in Arkansas, Texas, and Virginia. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (20) from points in Nevada, to points in Arkansas, Louisiana, and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (21) from points in New Hampshire, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (22) from points in New Jersey, to points in Georgia, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee.

(23) From points in New Mexico, to points in Alabama, Arkansas, Florida, and Mississippi. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (24) from points in New York, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (25) from points in North Dakota, to points in Arkansas, Kentucky, North Carolina, South Carolina, Tennessee, and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (26) from points in Oklahoma, to points in Alabama, Florida, Louisiana, Mississippi, and Tennessee. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (27) from points in Oregon, to points in Arkansas and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (28) from points in Pennsylvania, to points in Alabama, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (29) from points in Rhode Island, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (30) from points in South Carolina, to points in Arkansas, Iowa, Louisiana, Minnesota, North Dakota, and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark.

(31) From points in South Dakota, to points in Arkansas, Kentucky, North Carolina, Texas, and Virginia. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (32) from points in Utah, to points in Arkansas and Louisiana. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (33) from points in Vermont, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (34) from points in Virginia, to points in Colorado, Idaho, Iowa, Kansas, Louisiana, Mississippi, Montana, South Dakota, Tennessee, and Wyoming. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (35) from points in

Washington, to points in Arkansas and Texas. The purpose of this filing is to eliminate the gateway of Greene County, Ark. (36) from points in West Virginia, to points in North Carolina and South Carolina. The purpose of this filing is to eliminate the gateway at Tennessee. (37) from points in Wyoming, to points in Arkansas, Kentucky, Louisiana, Texas, and Virginia. The purpose of this filing is to eliminate the gateway of Greene County, Ark.

No. MC 111401 (Sub-No. 428G), filed June 4, 1974. Applicant: GROENDYKE TRANSPORT, INC., 2510 Rock Island Boulevard, P.O. Box 632, Enid, Okla. 73701. Applicant's representative: Alvin J. Meiklejohn, Jr., Suite 1600 Lincoln Center, 1660 Lincoln Street, Denver, Colo. 80203. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Plastics and resins*, in bulk, from points in Kansas, Oklahoma, and those in that part of Texas on and north of U.S. Highway 66 from the Texas-New Mexico State line to its junction with U.S. Highway 83, and on and east of U.S. Highway 83 from its junction with U.S. Highway 66 to the International Boundary line between the United States and the Republic of Mexico, to points in the United States (except Alaska and Hawaii). The purpose of this filing is to eliminate the gateways at Tulsa and Wynnewood, Okla., Longview and Texas City, Tex., and Wichita, Kans.

No. MC 128746 (Sub-No. 16G), filed June 3, 1974. Applicant: D'AGATA NATIONAL TRUCKING CO., a Corporation, 3222-40 South 61st Street, Philadelphia, Pa. 19153. Applicant's representative: Alan Kahn, Suite 1920, Two Penn Center Plaza, Philadelphia, Pa. 19102. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Malt beverages*, from New York, N.Y., to points in New Jersey north of a line extending from the Delaware River over New Jersey Highway 73 to its intersection with U.S. Highway 30, thence over U.S. Highway 30 to its intersection with U.S. Highway 9, thence south over U.S. Highway 9 to its intersection with New Jersey Highway 52, and thence over New Jersey Highway 52 to Ocean City, N.J., and (2) *empty malt beverage containers*, from points in New Jersey north of a line extending from the Delaware River over New Jersey Highway 73 to its intersection with U.S. Highway 30, thence over U.S. Highway 30 to its intersection with U.S. Highway 9, thence south over U.S. Highway 9 to its intersection with New Jersey Highway 52, and thence over New Jersey Highway 52 to Ocean City, N.J., to New York, N.Y., (3) *malt beverages*, from Allentown, Pa., to points in New Jersey north of a line extending from Point Pleasant, N.J., over New Jersey Highway 70 to its intersection with New Jersey Highway 530, thence over New Jersey Highway 530 to its intersection with U.S. Highway 206, thence north over U.S. Highway 206 to its intersection with

New Jersey Highway 528, and thence east over New Jersey Highway 528 to Burlington, N.J., and (4) *empty malt beverage containers*, from points in New Jersey north of a line extending from Point Pleasant, N.J., over New Jersey Highway 70 to its intersection with New Jersey Highway 530, thence over New Jersey Highway 530 to its intersection with U.S. Highway 206, thence North over U.S. Highway 206 to its intersection with New Jersey Highway 528, and thence east over New Jersey Highway 528 to Burlington, N.J., to Allentown, Pa., and (5) *malt beverages*, from Allentown, Pa., to points in Connecticut west of a line extending from New London, Conn., north over Connecticut Highway 32 to its intersection with Connecticut Highway 12, and thence over Connecticut Highway 12 to the Connecticut-Massachusetts State Boundary line, and (6) *empty malt beverage containers*, from points in Connecticut west of a line extending from New London, Conn., north over Connecticut Highway 32 to its intersection with Connecticut Highway 12, and thence over Connecticut Highway 12 to the Connecticut-Massachusetts State Boundary line, to Allentown, Pa., and (7) *malt beverages*, from Allentown, Pa., to points in New York, and (8) *empty malt beverage containers*, from points in New York to Allentown, Pa., and (9) *malt beverages*, from Baltimore, Md., to Wilmington, Del. The purpose of this filing is to eliminate the gateway of Philadelphia, Pa.

No. MC 139516 (Sub-No. 2G), filed July 5, 1974. Applicant: JENKINS TRUCK LINE, INC., R.R. 3, Box 697, Jeffersonville, Ind. 47130. Applicant's representative: E. A. DeVine, P.O. Box 737, 101 First Avenue, Moline, Ill. 61265. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Agricultural implements, parts, and castings*, between the facilities of Deere and Company located at points in Dodge County, Wis., on the one hand, and, on the other, those points in Illinois north of U.S. Highway 40, St. Louis, Mo., Omaha, Nebr., points in Iowa, and those points in Wisconsin on and south of U.S. Highway 10. The purpose of this filing is to eliminate the gateway of Moline, Ill. (2) *Tractors* (except truck tractors designed primarily for the transportation of property over highways, and those which because of size or weight require the use of special equipment) and *attachments and parts therefor*, from New Orleans, La., to points in California, Colorado, Florida, Missouri, New Mexico, Oklahoma, Oregon, Texas, Washington, and Wyoming. The purpose of this filing is to eliminate the gateway of Decatur, Ga. (3) *Agricultural machinery and implements*, other than hand (except such machinery and implements which because of size or weight require the use of special equipment), from Memphis, Tenn., to points in Delaware, Maryland, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas, Virginia, and West Virginia, restricted

to the transportation of traffic (a) originating at the plant sites or warehouse facilities of International Harvester Company, and (b) destined to the destination points specified above (except that the restriction in (b) shall not apply to traffic moving in foreign commerce). The purpose of this filing is to eliminate the gateway of Rock Island, Ill.

(4) *Tractors* (except truck-tractors and those which because of size or weight require the use of special equipment), from New Orleans, La., to points in Kentucky, North Carolina, Ohio, Pennsylvania, South Carolina, and West Virginia, restricted to the transportation of traffic (a) originating at the plantsites or warehouse facilities of International Harvester Company, and (b) destined to the destination points specified above (except that the restriction in (b) shall not apply to traffic moving in foreign commerce). The purpose of this filing is to eliminate the gateway of Rock Island, Ill. (5) *Tractors and agricultural implements* in mixed loads with tractors (except truck-tractors and commodities the transportation of which because of their size or weight require the use of special equipment), from points in Kansas, to points in Missouri and Nebraska. The purpose of this filing is to eliminate the gateway at O'Fallon Industrial Park, St. Charles County, Mo. (6) *Agricultural implements, attachments, and parts* (except commodities the transportation of which because of their size or weight require the use of special equipment), from Memphis, Tenn., to points in Utah. The purpose of this filing is to eliminate the gateways of Atlanta, Ga., and Port Washington, Wis. (7) *Lumber and millwork*, from Memphis, Tenn., to points in the United States including Alaska (except North Dakota, South Dakota, Iowa, Wisconsin, Minnesota, and Hawaii). The purpose of this filing is to eliminate the gateway of Shawano, Wis. (8) *Agricultural machinery and implements* (except such machinery and implements which because of their size or weight require the use of special equipment), from Memphis, Tenn., to points in Arizona. The purpose of this filing is to eliminate the gateway of Port Washington, Wis.

INTERSTATE COMMERCE COMMISSION

OFFICE OF PROCEEDINGS

IRREGULAR-ROUTE MOTOR COMMON CARRIERS OF PROPERTY-ELIMINATION OF GATEWAY LETTER NOTICES

NOTICES

October 31, 1974.

The following letter-notices of proposals to eliminate gateways for the purpose of reducing highway congestion, alleviating air and noise pollution, minimizing safety hazards, and conserving fuel have been filed with the Interstate Commerce Commission under the Commission's Gateway Elimination Rules (49 CFR 1065(a)), and notice thereof to all interested persons is hereby given as provided in such rules.

An original and two copies of protests against the proposed elimination of any

gateway herein described may be filed with the Interstate Commerce Commission within 10 days from the date of this publication. A copy must also be served upon applicant or its representative. Protests against the elimination of a gateway will not operate to stay commencement of the proposed operation.

Successively filed letter-notices of the same carrier under these rules will be numbered consecutively for convenience in identification. Protests, if any, must refer to such letter-notices by number.

No. MC 73688 (Sub-No. E3), (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 13, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Kentucky 40601. Authority sought to operate as a common carrier, by motor vehicle over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe* which are iron, steel, or steel products, between points in Mississippi east of a line beginning at the Mississippi-Tennessee State line and extending along U.S. Highway 78 to Holly Springs, thence along Mississippi Highway 7 to Oxford, thence along Mississippi Highway 9W to Bruce, thence along Mississippi Highway 9 to Louisville, thence along Mississippi Highway 15 to Laurel, thence along Interstate Highway 59 to the Mississippi River, on the one hand, and, on the other, points in Arkansas on and north of a line beginning at the Arkansas-Tennessee State line and extending along U.S. Highway 70 to Little Rock, thence along Arkansas Highway 10 to the Arkansas-Oklahoma State line. The purpose of this filing is to eliminate the gateway of Memphis, Tennessee. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E4), (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 13, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Kentucky 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe* which are iron, steel, or steel products, between points in Arkansas on, north, and east of a line beginning at the Missouri-Arkansas State line and extending along Arkansas Highway 14 to Newport, thence along U.S. Highway 67 to Bald Knob, thence along U.S. Highway 64 to Memphis, on the one hand, and, on the other, points in Mississippi. The purpose of this filing is to eliminate the gateway of Memphis, Tennessee. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E5) (Correction), filed May 14, 1974, published in

the FEDERAL REGISTER September 13, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Kentucky 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, fibre pipe, fibre pipe fittings, roofing materials, and fabricated metal pipe* which are iron, steel, or steel products; (1) from Anniston, Birmingham, Montgomery, and Holt, Ala., to points in Tennessee on and west of U.S. Highway 51; (2) from Gadsden and Decatur, Ala., to points in Tennessee on and west of U.S. Highway 51, and on and south of Tennessee Highway 59; (3) from Montgomery and Anniston, Ala., to points in De Soto, Tunica, and Coahoma Counties, Miss.; and (4) from Birmingham and Holt, Ala., to De Soto and Tunica Counties, Miss.; and (5) from Gadsden and Decatur, Ala., to points in De Soto, Tunica, Coahoma, Bolivar, and Washington Counties, Miss., restricted against the transportation of commodities used in, or in connection with, the discovery, development, production, refining, manufacturing, processing, storage, transmission, and distribution of natural gas and petroleum and their products and by-products. The purpose of this filing is to eliminate the gateways of points in Arkansas within the Memphis, Tenn., commercial zone, and Memphis, Tennessee. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E9), (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 16, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe*, which are iron, steel, or steel products, restricted against the transportation of pipe, pipeline materials, and machinery and equipment incidental to and used in connection with the construction, repairing, and dismantling of pipelines, between points in Mississippi on and south of U.S. Highway 78, and Memphis, Tenn., on the one hand, and, on the other, points in Missouri on and east of Missouri Highway 51. The purpose of this filing is to eliminate the gateways of Memphis Tenn., and points in Arkansas. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E12), (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 16, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred

F. Bradley, Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe*, which are iron and steel articles; (1) from points in Arkansas on and south of a line beginning at the Tennessee-Arkansas State line, thence over Arkansas Highway 14 to junction U.S. Highway 167, thence over U.S. Highway 167 to the Arkansas-Missouri State line, to points in Kentucky; (2) from points in Mississippi on and west of a line beginning at the Mississippi-Tennessee State line, thence over U.S. Highway 51 to Vaiden, thence over Mississippi Highway 35 to Taylorsville, thence over Mississippi Highway 28 to Laurel, thence over U.S. Highway 84 to the Mississippi-Alabama State line to points in Kentucky on and east of U.S. Highway 231; and (3) from points in Mississippi on and south of U.S. Highway 78, to points in Kentucky on and east of Interstate Highway 75. The purpose of this filing is to eliminate the gateway of Memphis, Tenn. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E15), (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 16, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe*, which are iron, steel, or steel products, from points in Tennessee to points in Louisiana on and north of U.S. Highway 84, restricted to traffic having a prior movement by water, and restricted against the transportation of oilfield and pipeline commodities, as defined in T. E. Mercer Extension-Oilfield Commodities, 74 M.C.C. 459. The purpose of this filing is to eliminate the gateways of Memphis, Tenn., and points in Arkansas on the Arkansas River and its tributaries. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E18), (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 16, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe*, which are iron, steel, or steel products, restricted against the transportation of commodities used in, or in

connection with, the discovery, development, production, refining, manufacturing, processing, storage, transmission, and distribution of natural gas and petroleum and their products and by-products, between Greenville, Miss., on the one hand, and, on the other, points in Tennessee. The purpose of this filing is to eliminate the gateways of points in Arkansas and Memphis, Tenn. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E24) (Correction), filed May 14, 1974, published in the FEDERAL REGISTER September 17, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley, Frankfort, Ky. 40601. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe*, which are iron, steel, or steel products, restricted against the transportation of oilfield and pipeline commodities as defined in T. E. Mercer Extension-Oilfield Commodities, 74 M.C.C. 459, from points in Mississippi on and north of a line beginning at the Arkansas-Mississippi State line and extending along Mississippi Highway 4 to Holly Springs, thence along U.S. Highway 78 to the Mississippi-Alabama State line, to points in Louisiana on and north of U.S. Highway 84 and on and west of U.S. Highway 167, restricted to traffic having a prior movement by water. The purpose of this filing is to eliminate the gateways of Memphis, Tenn., and points in Arkansas on the Arkansas River and its tributaries. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 73688 (Sub-No. E28), (Correction), filed May 27, 1974, published in the FEDERAL REGISTER September 17, 1974. Applicant: SOUTHERN TRUCKING CORP., P.O. Box 7195, Memphis, Tenn. 38107. Applicant's representative: Fred F. Bradley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Structural steel, steel piling, iron, steel, culvert, and contractors' equipment, wire, nails, roofing materials, and fabricated metal pipe*, which are iron and steel articles; (1) from points in Shelby County, Tenn., to points in Kentucky; (2) from points in Tennessee on and west of a line beginning at the Tennessee-Mississippi State line extending along Tennessee Highway 76 to Somerville, thence along Tennessee Highway 59 to the Mississippi River to points in Kentucky on and east of U.S. Highway 41; and (3) from points in Tennessee on and west of a line beginning at the Tennessee-Mississippi State line and extending along Tennessee Highway 125 to Bolivar, thence along Tennessee Highway 138 to junction U.S. Highway 70, thence along U.S. Highway 70 to

Brownsville, thence along Tennessee Highway 19 to the Mississippi River, to points in Kentucky on and east of Interstate Highway 75. The purpose of this filing is to eliminate the gateway of Memphis, Tenn. The purpose of this correction is to properly reflect the commodities sought to be transported.

No. MC 74169 (Sub-No. E14), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission; (1) between points in Missouri, on the one hand, and, on the other, points in that part of South Dakota on and west of a line beginning at the Nebraska-South Dakota State line, thence along U.S. Highway 385 to junction South Dakota Highway 79, thence along South Dakota Highway 79 to junction South Dakota Highway 34, thence along South Dakota Highway 34 to junction U.S. Highway 212, thence along U.S. Highway 212 to the Wyoming-South Dakota State line; (2) between points in Missouri, on the one hand, and, on the other, points in Wyoming (Council Bluffs, Iowa, and points in Morrill, Scotts Bluff, and Banner Counties, Nebr.)*; (3) between points in that part of Missouri on and south of a line beginning at the Kansas-Missouri State line, thence along U.S. Highway 160 to junction Interstate Highway 44, thence along Interstate Highway 44 to the Missouri-Illinois State line, on the one hand, and, on the other, points in the Lower Peninsula of Michigan; (4) between points in Butler, Stoddard, Mississippi, and New Madrid Counties, Mo., on the one hand, and, on the other, points in Ohio; and (5) between Lexington, Ky., and points in that part of Kentucky on and north of Interstate Highway 64, on the one hand, and, on the other, points in Missouri (except points in Scott, Stoddard, Butler, Ripley, New Madrid, and Mississippi Counties) (points in Greene, Lawrence, Monroe, and Orange Counties, Ind.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 74169 (Sub-No. E15), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission; (1) between points in that part of Missouri on and north of U.S. Highway 54, on the one hand, and, on the other, points in that part of Kentucky on and east of Interstate Highway 65; (2) between points in the District of Columbia, on the one hand, and, on the other, points in that part of Illinois on, west, and south of a line beginning at the Wisconsin-Illinois State line, thence along Illinois Highway 26 to junction Interstate Highway

80, thence along Interstate Highway 80 to junction Illinois Highway 23, thence along Illinois Highway 23 to junction Illinois Highway 17, thence along Illinois Highway 17 to junction U.S. Highway 52, thence along U.S. Highway 52 to the Illinois-Indiana State line (points in Lawrence, Monroe, and Orange Counties, Ind.) *; (3) between points in the District of Columbia, on the one hand, and, on the other, points in that part of Iowa on, south, and west of a line beginning at the Iowa-Nebraska State line, thence along U.S. Highway 20 to junction U.S. Highway 59, thence along U.S. Highway 59 to the Missouri-Iowa State line (points in Greene, Lawrence, Monroe, and Orange Counties, Ind., points in Illinois and Council Bluffs, Iowa) *; (4) between points in the District of Columbia, on the one hand, and, on the other, points in Idaho (Council Bluffs, Iowa, points in Greene, Lawrence, Monroe, and Orange Counties, Ind., points in Morrill, Scotts Bluffs, and Banner Counties, Nebr., and points in Illinois) *; and (5) points in the District of Columbia, on the one hand, and, on the other, points in Nebraska (Council Bluffs, Iowa, points in Greene, Lawrence, Monroe, and Orange Counties, Ind., and points in Illinois) *. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 74169 (Sub-No. E16), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in the District of Columbia, on the one hand, and, on the other, points in that part of Colorado on, west, and north of a line beginning at the Nebraska-Colorado State line, thence along Interstate Highway 805 to junction Interstate Highway 25, thence along Interstate Highway 25 to junction U.S. Highway 24, thence along U.S. Highway 24 to junction U.S. Highway 6, thence along U.S. Highway 6 to Utah-Colorado State line; (2) between points in the District of Columbia, on the one hand, and, on the other, points in Wyoming (Council Bluffs, Iowa, points in Greene, Lawrence, Monroe, and Orange Counties, Ind., points in Morrill, Scotts Bluff, and Banner Counties, Nebr., and points in Illinois) *; (3) between points in the District of Columbia, on the one hand, and, on the other, points in that part of the Upper Peninsula of Michigan on and west of U.S. Highway 42 (points in Greene, Lawrence, Monroe, and Orange Counties, Ind.) *; (4) between points in the District of Columbia, on the one hand, and, on the other, points in that part of South Dakota on and west of a line beginning at the Nebraska-South Dakota State line, thence along U.S. Highway 358 to junction South Dakota Highway 79, thence along South Dakota Highway 79 to junction U.S. Highway 85, thence along U.S. Highway 85 to the South Dakota-North Dakota State line (Council

Bluffs, Iowa, points in Greene, Lawrence, Monroe, and Orange Counties, Ind., points in Morrill, Scotts Bluff, and Banner Counties, Nebr., and points in Illinois) *; and (5) between points in the District of Columbia, on the one hand, and, on the other, points in that part of Kentucky on and west of Interstate Highway 65 (points in Greene, Lawrence, Monroe, and Orange Counties, Ind.) *. The purpose of this filing is to eliminate gateways designated by the asterisks above.

No. MC 74169 (Sub-No. E17), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in that part of Nebraska on and north of U.S. Highway 34, on the one hand, and, on the other, points in Illinois; (2) between points in Nebraska, on the one hand, and, on the other, points in Lawrence, Greene, Monroe, and Orange Counties, Ind. (Council Bluffs, Iowa) *; (3) between points in that part of Ohio on and south of U.S. Highway 40, on the one hand, and, on the other, points in that part of Nebraska on, north, and west of a line beginning at the Iowa-Nebraska State line, thence along U.S. Highway 34 to junction U.S. Highway 77, thence along U.S. Highway 77 to the Kansas-Nebraska State line, and on and south of U.S. Highway 30; (4) between points in Nebraska, on the one hand, and, on the other, points in that part of Kentucky on and west of Interstate Highway 65 (Council Bluffs, Iowa; points in Greene, Lawrence, Monroe, and Orange Counties, Ind., and points in Illinois) *; and (5) between points in Nebraska on and west of U.S. Highway 83, on the one hand, and, on the other, points in that part of Missouri on, east, and south of a line beginning at the Arkansas-Missouri State line, thence along U.S. Highway 65 to junction U.S. Highway 60, thence along U.S. Highway 60 to the Missouri-Illinois State line (Council Bluffs, Iowa) *. The purpose of this filing is to eliminate the gateways designated by asterisks above.

No. MC 74169 (Sub-No. E18), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in Scotts Bluff County, Nebr., on the one hand, and, on the other, Detroit, Mich. (Council Bluffs, Iowa, and points in Greene, Lawrence, Monroe, and Orange Counties, Ind.) *; (2) between points in Nebraska, on the one hand, and, on the other, points in Virginia and West Virginia; (3) between points in that part of Nebraska on and south of U.S. Highway 30 and on and

north of a line beginning at the Nebraska-Iowa State line, thence along U.S. Highway 34 to junction U.S. Highway 77, thence along U.S. Highway 77 to junction Nebraska Highway 136, thence along Nebraska Highway 136 to junction U.S. Highway 183, thence along U.S. Highway 183 to the Kansas-Nebraska State line, on the one hand, and, on the other, points in that part of Pennsylvania on and south of U.S. Highway 62 (Council Bluffs, Iowa, points in Greene, Lawrence, Monroe, and Orange Counties, Ind., and points in Illinois) *; and (4) between points in Nebraska (except points in that part of Nebraska north of a line beginning at the South Dakota-Nebraska State line, thence along U.S. Highway 281 to junction U.S. Highway 275, thence along U.S. Highway 275 to Nebraska Highway 51, thence along Nebraska Highway 51 to the Iowa-Nebraska State line, and points in that part of Nebraska south of a line beginning at the Iowa-Nebraska State line, thence along U.S. Highway 34 to junction U.S. Highway 77, thence along U.S. Highway 77 to the Kansas-Nebraska State line), on the one hand, and, on the other, points in that part of Iowa on and east of a line beginning at the Iowa-Illinois State line, thence along U.S. Highway 151 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction U.S. Highway 65, thence along U.S. Highway 65 to junction U.S. Highway 34, thence along U.S. Highway 34 to the Illinois-Iowa State line (Council Bluffs, Iowa) *. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 74169 (Sub-No. E19), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in Nebraska, on the one hand, and, on the other, points in Maryland; (2) between points in that part of Nebraska on and south U.S. Highway 30, and on and north of a line beginning at the Iowa-Nebraska State line, thence along U.S. Highway 34 to junction U.S. Highway 77, thence along U.S. Highway 77 to the Kansas-Nebraska State line, on the one hand, and, on the other, points in New York (Council Bluffs, Iowa, points in Greene, Lawrence, Monroe, and Orange Counties, Ind., and points in Illinois) *; (3) between points in that part of Nebraska on, east, and south of a line beginning at the Kansas-Nebraska State line, thence along U.S. Highway 83 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction U.S. Highway 81, thence along U.S. Highway 81 to junction U.S. Highway 275, thence along U.S. Highway 275 to junction Nebraska Highway 51, thence along Nebraska Highway 51 to the Iowa-Nebraska State line, on the one hand, and, on the other, points in that part of Wyoming on and west of a line beginning

at the Wyoming-Montana State line, thence along Interstate Highway 90 to junction U.S. Highway 16, thence along U.S. Highway 16 to junction Wyoming Highway 789, thence along Wyoming Highway 789 to the Colorado-Wyoming State line (points in Morrill, Scotts Bluff, and Banner Counties, Nebr.); (4) between points in that part of Nebraska on and east of a line beginning at the Kansas-Nebraska State line, thence along U.S. Highway 77 to junction U.S. Highway 6, thence along U.S. Highway 6 to the Iowa-Nebraska State line, on the one hand, and, on the other, points in Minnesota (Council Bluffs, Iowa)*; and (5) between points in that part of Nebraska on, west, and south of a line beginning at the Kansas-Nebraska State line, thence along U.S. Highway 77 to junction U.S. Highway 34, thence along U.S. Highway 34 to junction U.S. Highway 30, thence along U.S. Highway 30 to junction U.S. Highway 26, thence along U.S. Highway 26 to the Wyoming-Nebraska State line, on the one hand, and on the other, Hot Springs and Rapid City, S. Dak. (points in Morrill, Scotts Bluff, and Banner Counties, Nebr.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 74169 (Sub-No. E20), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in Nebraska, on the one hand, and, on the other, points in Idaho (points in Morrill, Scotts Bluff, and Banner Counties, Nebr.)*; (2) between points in that part of Nebraska on, south, and east of a line beginning at the Nebraska-Iowa State line, thence along U.S. Highway 6 to junction U.S. Highway 77, thence along U.S. Highway 77 to the Kansas-Nebraska State line, on the one hand, and, on the other, points in Wyoming (points in Morrill, Scotts Bluff and Banner Counties, Nebr.)*; (3) between points in that part of Nebraska on and east of a line beginning at the Nebraska-South Dakota State line, thence along U.S. Highway 81 to junction U.S. Highway 275, thence along U.S. Highway 275 to the Kansas-Iowa State line, on the one hand, and, on the other, points in that part of Kansas on and east of U.S. Highway 75 (Council Bluffs, Iowa)*; (4) between points in Nebraska, on the one hand, and, on the other, Davenport, Iowa (Council Bluffs, Iowa)*; and (5) between points in that part of Nebraska on, east, and north of a line beginning at the South Dakota-Nebraska State line, thence along U.S. Highway 81 to junction Nebraska Highway 92, thence along Nebraska Highway 92 to the Nebraska-Iowa State line, on the one hand, and, on the other, points in that part of Missouri on and south of U.S. Highway 36

(Council Bluffs, Iowa)*. The purpose of this filing is to eliminate the gateways designated by the asterisks above.

No. MC 74169 (Sub-No. E21), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main Street, Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, (1) between points in that part of Nebraska on and east of a line beginning at the Kansas-Nebraska State line, thence along U.S. Highway 77 to junction U.S. Highway 6, thence along U.S. Highway 6 to the Iowa-Nebraska State line, on the one hand, and, on the other, points in South Dakota (Council Bluffs, Iowa)*; (2) between points in New York, Maryland, the District of Columbia, Virginia, West Virginia, points in that part of Pennsylvania on and east of U.S. Highway 62, and points in that part of Ohio on and south of U.S. Highway 40 (points in Greene, Lawrence, Monroe, and Orange Counties, Ind., and points in Illinois)*. The purpose of this filing is to eliminate the gateways designated by asterisks above.

No. MC 74169 (Sub-No. E22), filed June 4, 1974. Applicant: CHIEFTAIN VAN LINES, INC., 7201 Main St., Ralston, Nebr. 68127. Applicant's representative: Marvin D. Dudley (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission; (1) between points in Fremont, Page, Montgomery, and Mills Counties, Iowa, on the one hand, and, on the other, points in that part of Minnesota on and north of a line beginning at the Minnesota-Iowa State line, thence along Minnesota Highway 60 to junction U.S. Highway 14, thence along U.S. Highway 14 to the Wisconsin-Minnesota State line (Council Bluffs, Iowa)*; (2) between points in Iowa, on the one hand, and, on the other, points in that part of Kentucky on and east of Interstate Highway 65 (points in Greene, Lawrence, Monroe, and Orange Counties, Ind., and points in Illinois)*; (3) between points in Iowa, on the one hand, and, on the other, points in Colorado (Council Bluffs, Iowa)*; (4) between points in Iowa on and south of Interstate Highway 80, on the one hand, and, on the other, points in South Dakota (Council Bluffs, Iowa)*; and (5) between points in that part of Iowa on and east of a line beginning at the Iowa-Minnesota State line, thence along U.S. Highway 218 to junction Iowa Highway 22, thence along Iowa Highway 22 to the Illinois-Iowa State line, on the one hand, and, on the other, points in that part of Kansas on and west of a line beginning at the Kansas-Nebraska State line, thence along U.S. Highway 81 to junction Kansas Highway 2, thence along Kansas Highway 2 to the Oklahoma-Kansas State line (Council Bluffs, Iowa)*. The purpose of this filing is to

eliminate the gateways indicated by asterisks above.

No. MC 106398 (Sub-No. E46), filed May 31, 1974. Applicant: NATIONAL TRAILER CONVOY, INC., P.O. Box 3329, Tulsa, Okla. 74101. Applicant's representative: Irvin Tull (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Plastic pipe, tubing, conduit, valves or fittings, compounds, joint sealer, primer, coating, thinner, and accessories* used in the installation of such products (except commodities in bulk), when intended for use in the construction of buildings, from the plant site of Carlon Products Division of Continental Oil Company, at Ohio, to points in Minnesota, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Texas, New Mexico, Colorado, Wyoming, Montana, Idaho, Utah, Arizona, California, Nevada, Oregon, Washington, South Carolina, Georgia, Alabama, and Florida. The purpose of this filing is to eliminate the gateway of the plant site of Metal Deck, Inc., at Oregon, Ohio.

No. MC 106398 (Sub-No. E76), filed May 31, 1974. Applicant: NATIONAL TRAILER CONVOY, INC., P.O. Box 3329, Tulsa, Okla. 74101. Applicant's representative: Irvin Tull (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Buildings, complete, knocked down, or in sections, including component parts, materials, supplies, and fixtures, and when shipped with those buildings, accessories used in the erection, construction, and completion thereof, from points in Delaware, to points in Alabama, Arkansas, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Mississippi, Missouri, Ohio, Tennessee, and Wisconsin*. The purpose of this filing is to eliminate the gateway of Hanover, Pa.

No. MC 106398 (Sub-No. E77), filed May 31, 1974. Applicant: NATIONAL TRAILER CONVOY, INC., P.O. Box 3329, Tulsa, Okla. 74101. Applicant's representative: Irvin Tull (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Prefabricated buildings, complete, knocked down, or in section, including component parts, materials, supplies, and fixtures, and when shipped with those buildings, accessories used in the erection, construction, and completion thereof, from points in Alabama, Arkansas, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Mississippi, Missouri, Ohio, Tennessee, and Wisconsin, to points in Delaware*. The purpose of this filing is to eliminate the gateway of Hanover, Pennsylvania.

No. MC 106398 (Sub-No. E80), filed May 31, 1974. Applicant: NATIONAL TRAILER CONVOY, INC., P.O. Box 3329, Tulsa, Okla. 74101. Applicant's representative: Irvin Tull (same as above). Authority sought to operate as a

common carrier, by motor vehicle, over irregular routes, transporting: *Prefabricated buildings, assembled, partially assembled, or unassembled, from points in Wisconsin, Illinois, Michigan, Indiana, Ohio, Kentucky, West Virginia, Pennsylvania, and Virginia, restricted against the transportation of trailers or mobile homes designed to be drawn by passenger automobiles, and oil field and industrial buildings. The purpose of this filing is to eliminate the gateways of (1) Des Moines, Iowa, and (2) any point in New Mexico.*

No. MC 106398 (Sub-No. E82), filed May 31, 1974. Applicant: NATIONAL TRAILER CONVOY, INC., P.O. Box 3329, Tulsa, Okla. 74101. Applicant's representative: Irvin Tull (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Prefabricated buildings, complete, knocked down, or in sections, and component parts, materials, supplies, and fixtures when shipped with such buildings, and accessories used in the erection, construction, and completion thereof, from points in Wisconsin, Michigan, Indiana, Ohio, Pennsylvania, West Virginia, Virginia, North Carolina, and South Carolina, to points in Kansas. The purpose of this filing is to eliminate the gateway of Des Moines or Clarinda, Iowa.*

No. MC 106398 (Sub-No. E139), filed May 31, 1974. Applicant: NATIONAL TRAILER CONVOY, INC., P.O. Box 3329, Tulsa, Okla. 74101. Applicant's representative: Irvin Tull (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Doors, floor deck, joists, lath, roof deck, sash, and siding (except in bulk), from the plant and warehouse sites of Republic Steel Corp., Manufacturing Division, at Niles and Youngstown, Ohio, to points in Montana, Wyoming, Colorado, New Mexico, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and Texas. The purpose of this filing is to eliminate the gateway of the plant site of the Celotex Corporation at Charleston, Ill.*

No. MC 108449 (Sub-No. E191), filed June 2, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Canned or preserved foodstuffs, from points in Wisconsin on and north of a line beginning at the Wisconsin-Minnesota State line and extending along Interstate Highway 90, thence along Interstate Highway 90 to its junction with U.S. Highway 12, thence along U.S. Highway 12 to its junction with Wisconsin Highway 21, thence along Wisconsin Highway 21 to Lake Winnebago, thence along Lake Winnebago to U.S. Highway 151, thence along U.S. Highway 151 to Lake Michigan at Manitowoc, Nebraska City, Nebr. The pur-*

pose of this filing is to eliminate the gateway of Minneapolis, Minn.

No. MC 108449 (Sub-No. E192), filed June 2, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Sugar (except in bulk), from Chaska, Minn., to points in Iowa. The purpose of this filing is to eliminate the gateway of Minneapolis, Minn.*

No. MC 108449 (Sub-No. E193), filed June 2, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Sugar (except in bulk), from Chaska, Minn., to points in that part of Illinois on and north of U.S. Highway 6 (except Chicago and points in the Chicago, Ill., commercial zone, as defined by the Commission). The purpose of this filing is to eliminate the gateway of Minneapolis, Minn.*

No. MC 108449 (Sub-No. E195), filed June 2, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Canned or preserved foodstuffs, from points in Iowa to points in Wisconsin on and north and west of a line beginning at the Wisconsin-Minnesota border and extending along Wisconsin Highway 65 to its junction with Wisconsin Highway 64, thence along Wisconsin Highway 64 to its junction with U.S. Highway 63, thence along U.S. Highway 63 to its junction with U.S. Highway 53, thence along U.S. Highway 53 to its junction with U.S. Highway 2, thence along U.S. Highway 2 to the Minnesota-Wisconsin State line. The purpose of this filing is to eliminate the gateway of St. Paul, Minnesota.*

No. MC 108449 (Sub-No. E197), filed June 2, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *General commodities (except those of unusual value, Classes A and B explosives, livestock, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, from Clean Lake and New Richmond, Wisconsin, to points in that part of Illinois on and north of U.S. Highway 6, except Chicago, and points in the Chicago, Ill., Commercial Zone, as defined by the Commission. The purpose of this filing is to eliminate the gateway of St. Paul, Minnesota.*

No. MC 128741 (Sub-No. E196), filed June 4, 1974. Applicant: AMERICAN

TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods, as defined by the Commission, between points in Iowa, on the one hand, and, on the other, points in New York, Pennsylvania, Massachusetts, New Jersey, Maryland, West Virginia, Virginia, North Carolina, South Carolina, and the District of Columbia. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.*

No. MC 108449 (Sub-No. E198), filed June 2, 1974. Applicant: INDIANHEAD TRUCK LINE, INC., 1947 West County Road C, St. Paul, Minn. 55113. Applicant's representative: W. A. Myllenbeck (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Canned or preserved foodstuffs, from points in the Chicago, Ill., Commercial Zone, as defined by the Commission, except those points in Illinois on the north of U.S. Highway 6, to points in Wisconsin on and north and west of a line beginning at the Iowa-Wisconsin State line and extending along Wisconsin Highway 82 to its junction with Wisconsin Highway 27, thence along Wisconsin Highway 27 to its junction with U.S. Highway 63 to Lake Superior. The purpose of this filing is to eliminate the gateway of points in Minnesota.*

No. MC 110420 (Sub-No. E54), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Vegetable oil products, which are liquid chemicals, in bulk, in tank vehicles, from Texas City, Tex., to points (1) in Maine, Massachusetts, New Hampshire, Vermont, and New York (except Putnam, Westchester, Nassau, and Suffolk Counties) (Janesville, Wis., and Carpentersville, Ill.); (2) in Howard, Winneshiek, Allamakee, Chickasaw, Bremer, Fayette, and Clayton Counties, Iowa (Janesville, Wis.); (3) in the Upper Peninsula of Michigan, in that part of Illinois in and north of Henderson, Warren, Fulton, Tazewell, McLean, Ford, and Iroquois Counties, in that part of Indiana in, north, and west of Newton, Jasper, Pulaski, Fulton, Kosciusko, and Elkhart Counties, and in Fulton, Defiance, Henry, Paulding, and Putnam Counties, Ohio (Janesville, Wis.). The purpose of this filing is to eliminate the gateways indicated by asterisks above.*

No. MC 110420 (Sub-No. E90), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular

routes, transporting: (1) *Liquid chemicals* (except petro-chemicals) in bulk, in tank vehicles, from Sheboygan, Wis., to points in Maryland, Missouri, New Jersey, and Pennsylvania (Ringwood, Ill.*); (2) *Liquid chemicals*, in bulk, in tank vehicles, from Sheboygan, Wis., to points in Nebraska (the plantsite of Hawkeye Chemical Company at or near Clinton, Iowa)*; (3) *Liquid chemicals*, in bulk, in tank vehicles, from Sheboygan, Wis., to points in Connecticut, Delaware, New Hampshire, New Jersey, North Carolina, Rhode Island, South Carolina, Vermont, West Virginia, that part on and south of a line beginning at Norfolk and extending along Interstate Highway 64 to Staunton, thence along U.S. Highway 250 to the Virginia-West Virginia State line (Carpentersville, Ill.)*; (4) *Liquid chemicals* (except petro-chemicals), in bulk, in tank vehicles, from Sheboygan, Wis., to Baltimore, Md., Boston, Mass., New York, N.Y., and points in Delaware and New Jersey (Ringwood, Ill., and Janesville, Wis.)*; (5) *Liquid chemicals* (except petro-chemicals), in bulk, in tank vehicles, from Sheboygan, Wis., to points in Colorado, Idaho, Montana, Utah, and Wyoming (Ringwood, Ill., and Janesville, Wis.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110420 (Sub-No. E91), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Liquid chemicals* (except liquid hydrogen, liquid oxygen, and liquid nitrogen), in bulk, in tank vehicles, from Cedar town, Ga., to points in (1) Lake, McHenry, Boone, Winnebago, Stephenson, Jo Daviess, and Carroll Counties, Ill., the Upper Peninsula of Michigan, that part of Iowa on and north of U.S. Highway 30, and Minnesota (Milwaukee, Wis.)*; (2) Montana, Idaho, that part of Utah on and north of Interstate Highway 80, that part of Wyoming on and north of Interstate Highway 80, and that part of Nebraska in, north, and west of Scotts Bluff, Box Butte, and Sheridan Counties (Milwaukee, Wis., and Ringwood, Ill., and Janesville, Wis.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110420 (Sub-No. E92), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Liquid chemicals* (except cryogenic liquids), in bulk, in tank vehicles, from Fremont, Nebr., to points in Ohio, Michigan, Kentucky, that part of Wisconsin in, south, and east of Vernon, Monroe, Juneau, Wood, Marathon, Lincoln, Oneida, and Vilas Counties, and that part of Indiana

in and north of U.S. Highway 50 (plantsite of Hawkeye Chemical Company at or near Clinton, Iowa)*; (2) *Liquid chemicals* (except liquid oxygen, hydrogen, and nitrogen), in bulk, in tank vehicles from Fremont, Nebr., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, and the District of Columbia (Carpentersville, Ill.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110420 (Sub-No. E93), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Liquid chemicals* (except liquefied petroleum gas, fertilizer, and fertilizer materials), in bulk, in tank vehicles, from Janesville, Wis., to points in Missouri and Nebraska. The purpose of this filing is to eliminate the gateway of the plant site of Hawkeye Chemical Company at or near Clinton, Iowa.

No. MC 110420 (Sub-No. E115), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Vegetable oils*, in bulk, in tank vehicles, from Chicago, Ill., to (1) Portland, Maine (Cudahy, Wis.)*; (2) points in North Dakota (Clinton, Iowa)*; (3) points in Arkansas, Kentucky, and Tennessee (Indianapolis, Ind.)*; (4) points in North Dakota and South Dakota (Red Wing, Minn.)*; and to points in Arkansas (St. Louis, Mo.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110420 (Sub-No. E117), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Vegetable oils*, in bulk, in tank vehicles, from Indianapolis, Ind., (1) to points in North Dakota (Clinton, Iowa)*; (2) to points in New Jersey, Delaware, and part of New York on and east of New York Highway 19, and the District of Columbia (Louisville, Ky.)*; (3) to Tulsa, Okla., to Irving, Tex. (Louisville, Ky.)*; and (4) to points in North Dakota (Red Wing, Minn.)*. The purpose of this filing is to eliminate the gateways indicated by asterisk above.

No. MC 110420 (Sub-No. E118), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant

Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Vegetable oils*, in bulk, in tank vehicles, from Louisville, Ky., to points in North Dakota. The purpose of this filing is to eliminate the gateway of Clinton, Iowa.

No. MC 110420 (Sub-No. E119), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Vegetable oils*, in bulk, in tank vehicles, from Chicago, Ill., to Irving, Tex. The purpose of this filing is to eliminate the gateway of Louisville, Ky.

No. MC 110420 (Sub-No. E120), filed June 4, 1974. Applicant: QUALITY CARRIERS, INC., P.O. Box 186, Pleasant Prairie, Wis. 53158. Applicant's representative: E. Stephen Heisley, 666 Eleventh St. NW., Washington, D.C. 20001. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Vegetable oils*, in bulk, in tank vehicles, from Cudahy, Wis., to (1) points in Indiana, Nebraska, Missouri, Ohio, that part of Michigan on and south of Michigan Highway 32, that part of Michigan on and south of Winnebago, Hancock, Wright, Hardin, Grundy, Black Hawk, Buchanan, Delaware, and Dubuque Counties, and that part of Illinois on and south of Interstate Highway 80; (2) Lititz, Pa., and Charlotte, N.C. (Chicago, Ill.)*; (3) points in Kentucky (Chicago, Ill.)*; (4) points in Arkansas (Chicago, Ill., and St. Louis, Mo.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110525 (Sub-No. E924), filed May 20, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Penn. 19335. Applicant's representative: Thomas J. O'Brien (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Dry chemicals*, in bulk, in tank or hopper-type vehicles, from Niagara Falls, New York, (1) to points in Illinois, Indiana, Missouri, Minnesota, Kentucky, Wisconsin, Tennessee, and Michigan (Akron, Ohio)*, (2) to points in Alabama and South Carolina (Dover, Ohio)*, (3) to points in that part of Virginia on, south, and west of a line beginning at the West Virginia-Virginia State line, thence along U.S. Highway 60 to Sprouses Corner, thence along U.S. Highway 15 to the Virginia-North Carolina State line (Willow Island, West Virginia)*, (4) to points in Kentucky (Iron-ton or Riverview, Ohio)*, (5) to points in West Virginia (Riverview, Ohio)*, (6) to points in Maryland (Lewiston, Penn.)*, (7) to points in Connecticut, Rhode Island, and that part of Massachusetts on and east of Massachusetts

Highway 24 and on and south of Massachusetts Highway 123 (Newark, New Jersey)*, (8) to the District of Columbia and points in Delaware and that part of Maryland on and east of Interstate Highway 83 (points in Aston Township, Penn.)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110525 (Sub-No. E1017), filed May 20, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Penn. 19335. Applicant's representative: Thomas J. O'Brien (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Animal, vegetable, mineral, and fish oil, chemicals, soap and soap products, and glycerin*, in bulk, in special equipment (including tank vehicles), between points in Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Union, and Warren Counties, New Jersey, on the one hand, and, on the other, points in Connecticut, Massachusetts, and Rhode Island. The purpose of this filing is to eliminate the gateway of New York, New York.

No. MC 110525 (Sub-No. E1018), filed May 20, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Penn. 19335. Applicant's representative: Thomas J. O'Brien (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Dry chemicals*, in bulk, in special equipment (including tank vehicles), from points in Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, Union, and Warren Counties, New Jersey, to points in Maine (except points in Aroostook County), New Hampshire, and Vermont. The purpose of this filing is to eliminate the gateways of New York, New York, and Springfield, Massachusetts.

No. MC 110525 (Sub-No. E1049), filed May 20, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Penn. 19335. Applicant's representative: Thomas J. O'Brien (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Dimethyl terephthalate, and terephthalic acid*, in bulk, in tank vehicles, from the plant site of Amoco Chemicals Corporation at or near Decatur, Ala., (1) to points in Virginia (points in that part of Tennessee on and east of U.S. Highway 27)*, (2) to points in that part of Florida on and east of a line beginning at the Alabama-Florida State line, thence along U.S. Highway 27 to junction U.S. Highway 319, thence along U.S. Highway 319 to the Gulf of Mexico (Atlanta, Georgia)*, and (3) to points in Louisiana (Vicksburg, Mississippi)*. The purpose of this filing is to eliminate the gateways indicated by asterisks above.

No. MC 110525 (Sub-No. E1074), filed May 20, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Penn. 19335. Appli-

cant's representative: Thomas J. O'Brien (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Such varnishes and synthetic resin solutions*, as are liquid chemicals as defined in *The Maxwell Co., Extension—Addyston*, 63 M.C.C. 677, in bulk, in tank vehicles, from Louisville, Kentucky, to points in that part of California in and south of Santa Cruz, Santa Clara, Merced, Mariposa, Madera, and Mono Counties. The purpose of this filing is to eliminate the gateway of Houston, Texas.

No. MC 110525 (Sub-No. E1075), filed May 20, 1974. Applicant: CHEMICAL LEAMAN TANK LINES, INC., P.O. Box 200, Downingtown, Penn. 19335. Applicant's representative: Thomas J. O'Brien (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Diethylene, triethylene, ethylene, and Alkydresins*, in bulk, in tank vehicles, from Doe Run, Kentucky, to points in that part of California on and south of Interstate Highway 80. The purpose of this filing is to eliminate the gateway of Houston, Texas.

No. MC 112822 (Sub-No. E141), filed May 23, 1974. Applicant: BRAY LINES INCORPORATED, P.O. Box 1191, Cushing, Okla. 74023. Applicant's representative: Robert A. Stone (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Dry fertilizer*, in packages and containers, from Beaumont, Texas, to points in Nebraska. The purpose of this filing is to eliminate the gateway of Horn, Missouri.

No. MC 112822 (Sub-No. E142), filed May 23, 1974. Applicant: BRAY LINES INCORPORATED, P.O. Box 191, Cushing, Okla. 74023. Applicant's representative: Robert A. Stone (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Dry fertilizer*, from Beaumont, Texas, to points in Idaho, Montana, Utah, and Wyoming. The purpose of this filing is to eliminate the gateway of Tulsa, Oklahoma.

No. MC 112822 (Sub-No. E145), filed June 3, 1974. Applicant: BRAY LINES, INC., P.O. Box 1191, Cushing, Okla. 74023. Applicant's representative: Robert A. Stone (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from points in that part of California on and north of a line beginning at the Pacific Ocean and extending along California Highway 68 to Salinas, thence along U.S. Highway 101 to junction California Highway 152, thence along California Highway 152 to junction California Highway 99, thence along California Highway 99 to junction California Highway 180, thence along California Highway 180 to junction U.S. Highway 395, thence along U.S. Highway 395 to junction California Highway 190, thence along California Highway 190 to the California-Nevada State line. The

purpose of this filing is to eliminate the gateway of points in Idaho.

No. MC 112822 (Sub-No. E146), filed June 3, 1974. Applicant: BRAY LINES INCORPORATED, P.O. Box 1191, Cushing, Okla. 74023. Applicant's representative: Robert A. Stone (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes transporting: *Frozen foods*, from points in California on and north of a line beginning at the Nevada-California State line and extending along California Highway 168 to junction U.S. Highway 395, thence along U.S. Highway 395 to junction California Highway 180, thence along California Highway 180 to junction California Highway J1, thence along California Highway J1 to junction California Highway 25, thence along California Highway 25 to Hollister, thence along California Highway 68 to the Pacific Ocean to points in that part of Georgia on and north of a line beginning at the Georgia-Alabama State line and extending along Georgia Highway 62 to Albany, thence along Georgia Highway 25F to Cordele, thence along U.S. Highway 280 to junction U.S. Highway 80, thence along U.S. Highway 80 to the Atlantic Ocean. The purpose of this filing is to eliminate the gateway of points in Idaho.

No. MC 113495 (Sub-No. E18), filed June 3, 1974. Applicant: GREGORY HEAVY HAULER, INC., P.O. Box 60628, Nashville, Tenn. 37206. Applicant's representative: E. T. Gregory (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) *Road construction machinery and equipment*, the transportation of which because of size or weight requires the use of special equipment; and (2) *Such self-propelled articles*, each weighing 15,000 pounds or more which may be included in road construction machinery and equipment and supplies moving in connection therewith (except petroleum products and coal tar products, in bulk, in tank vehicles, and except coal), from points in Ashtabula, Trumbull, Lake, Geauga, Cuyahoga, Summit, Portage, Stark, Mahoning, Columbiana, Carroll, and Jefferson Counties, Ohio, to points in Little River, Miller, Lafayette, Columbia, and Union Counties, Ark., restricted in (1) and (2) above, against the transportation of commodities in connection with the stringing or picking up of pipeline materials or equipment, and restricted in (1) above, to commodities which are transported on trailers. The purpose of this filing is to eliminate the gateways of points in that part of Virginia west of U.S. Highway 220, and in that part of Kentucky west of the Tennessee River.

No. MC 114457 (Sub-No. E17), filed June 3, 1974. Applicant: DART TRAN-SIT COMPANY, 780 North Prior Avenue, St. Paul, Minn. 55104. Applicant's representative: Michael P. Zell (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting:

Canned meat, pizza mix, and tomato paste, from the plant site of Armour Grocery Products Company, located in Aurora Township, Kane County, Ill., to points in North Dakota and South Dakota (except Bon Homme, Yankton, Clay, and Union Counties), restricted against the transportation of commodities in bulk. The purpose of this filing is to eliminate the gateway of Shakopee, Minnesota.

No. MC 114457 (Sub-No. E23), filed June 3, 1974. Applicant: DART TRANSIT COMPANY, 780 North Prior Avenue, St. Paul, Minn. 55104. Applicant's representative: Michael P. Zell (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Such meats and meat by-products* as are preserved foodstuffs (except commodities in bulk), from the plant site of Armour and Company, near Worthington, Minn., to points in that part of Missouri in, south, and east of Cape Girardeau, Stoddard, Butler, and Ripley Counties, restricted to the transportation of shipments originating at the named origin point. The purpose of this filing is to eliminate the gateway of Chanhassen, Minnesota.

No. MC 114457 (Sub-No. E24), filed June 3, 1974. Applicant: DART TRANSIT COMPANY, 780 North Prior Avenue, St. Paul, Minn. 55104. Applicant's representative: Michael P. Zell (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Metal containers, container ends, and accessories, and materials and supplies* used in connection with the manufacture and distribution of metal containers (except commodities in bulk or those which because of size or weight require special equipment), when moving in mixed loads with metal containers, from Minneapolis, Minnesota, to points in Tennessee. The purpose of this filing is to eliminate the gateway of Kankakee, Illinois.

No. MC 114457 (Sub-No. E29), filed June 3, 1974. Applicant: DART TRANSIT COMPANY, 780 North Prior Avenue, St. Paul, Minn. 55104. Applicant's representative: Michael P. Zell (Same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Metal containers, container ends, and accessories, and materials and supplies* used in connection with the manufacture and distribution of metal containers (except commodities in bulk or those which because of size or weight require the use of special equipment), when moving in mixed loads with metal containers, from Kankakee, Ill., to points in Colorado. The purpose of this filing is to eliminate the gateway of Chicago, Illinois.

No. MC 114457 (Sub-No. E30), filed June 3, 1974. Applicant: DART TRANSIT COMPANY, 780 North Prior Avenue, St. Paul, Minn. 55104. Applicant's

representative: Michael P. Zell (same as above). Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Metal containers, container ends, and accessories, and materials and supplies* used in connection with the manufacture and distribution of metal containers (except commodities in bulk or those which because of size or weight require special equipment), when moving in mixed loads with metal containers, from Kankakee, Ill., to points in West Virginia. The purpose of this filing is to eliminate the gateway of Chicago, Illinois.

No. MC 114604 (Sub-No. E2), filed November 17, 1974. Applicant: CAUDELL TRANSPORT, INC., State Farm Market 33, Forest Park, Georgia 30050. Applicant's representative: Guy H. Pastell, Suite 713, 3384 Peachtree Road NE., Atlanta, Georgia 30326. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Bananas*, (1) from Charleston, South Carolina, to points in DeKalb, Gwinnett, Fulton, Forsyth, Pickens, Murray, Whitfield, Catoosa, Dade, Walker, Gordon, Cherokee, Cobb, Clayton, Fayette, Coweta, Douglas, Paulding, Bartow, Floyd, Chattooga, Polk, Haralson, Carroll, Heard, Meriwether, Troup, and Harris Counties, Georgia, and points in Alabama (except Russell, Barbour, Henry, Houston, Dale, Geneva, Coffee, Covington, and Escambia Counties), and to Chattanooga, Tenn., (2) from Jacksonville, to points in Walton, Barrow, Hall, Habersham, Rabun, White, Towns, Lumpkin, Dawson, Forsyth, Gwinnett, DeKalb, Rockdale, Clayton, Fulton, Cobb, Cherokee, Pickens, Gilmer, Union, Fannin, Murray, Gordon, Bartow, Paulding, Douglas, Carroll, Haralson, Polk, Floyd, Chattooga, Walker, Dade, Catoosa, and Whitfield Counties, points in Oconee County, South Carolina, and to the Chattanooga, Tenn., and to points in Lauderdale, Limestone, Madison, Jackson, Colbert, Lawrence, Morgan, Marshall, DeKalb, Marion, Winston, Cullman, Blount, Etowah, Cherokee, Lamar, Fayette, Walker, Jefferson, Franklin, St. Clair, Calhoun, Cleburne, Pickens, Tuscaloosa, and Talladega Counties, Ala., (3) from Miami, Fla., to points in Cherokee, Spartanburg, Greenville, Pickens, Anderson, and Oconee Counties, South Carolina, Dade, Walker, Catoosa, Whitfield, Murray, Fannin, Union, Towns, Rabun, Chattooga, Floyd, Gordon, Pickens, Gilmer, Dawson, Lumpkin, White, Habersham, Stephens, Bartow, Cherokee, Forsyth, Hall, Banks, Clarke, Franklin, Hart, Polk, Paulding, Cobb, Fulton, Gwinnett, Jackson, Carroll, Madison, Elbert, Haralson, Douglas, DeKalb, Walton, Oconee, Oglethorpe, Greene, Morgan, Newton, Rockdale, Henry, Clayton, Fayette, Coweta, Heard, Troup, Meriwether, Pike, Spalding, Lamar, Butts, Jasper, Putnam, and Barrow Counties, Georgia, and Lauderdale, Limestone, Madison, Jackson, DeKalb, Marshall, Morgan, Lawrence, Franklin, Marion, Winston, Cullman, Blount, Etowah,

wah, Cherokee, Calhoun, St. Clair, Jefferson, Walker, Fayette, Lamar, Pickens, Tuscaloosa, Shelby, Talladega, Cleburne, Randolph, Clay, Bibb, Hale, Greene, Sumter, Perry, Chilton, Coosa, Tallapoosa, Chambers, Elmore, and Autauga Counties, Ala., and to the City of Chattanooga, Tenn.

(4) From Port Everglades, Fla., to points in Cherokee, Union, Newberry, Laurens, Spartanburg, Greenville, Pickens, Anderson, Abbeville, and Oconee Counties, South Carolina, Dade, Walker, Catoosa, Whitfield, Murray, Fannin, Gilmer, Union, Towns, Rabun, Habersham, White, Lumpkin, Pickens, Gordon, Chattooga, Floyd, Polk, Bartow, Cherokee, Forsyth, Hall, Banks, Franklin, Stephens, Hart, Elbert, Madison, Jackson, Barrow, Gwinnett, Fulton, Cobb, Heard, Newton, De Kalb, Haralson, Carroll, Douglas, Clayton, Rockdale, Walton, Oconee, Clark, Oglethorpe, Wilkes, Lincoln, Tallahassee, Greene, Morgan, Jasper, Henry, Butts, Spalding, Fayette, Dawson, Coweta, and Troup Counties, Georgia, and Lauderdale, Limestone, Madison, Jackson, De Kalb, Marshall, Morgan, Lawrence, Colbert, Franklin, Marion, Winston, Cullman, Blount, Etowah, Cherokee, Cleburne, Calhoun, St. Clair, Jefferson, Walker, Fayette, Lamar, Pickens, Tuscaloosa, Shelby, Talladega, Clay, Randolph, Bibb, Perry, Hale, Greene, and Sumter Counties, Ala., and to the City of Chattanooga, Tenn., (5) from Tampa, Fla., to points in Spartanburg, Greenville, Pickens, Oconee, and Anderson Counties, South Carolina, Heard, Coweta, Fayette, Clayton, Henry, Rockdale, Newton, Walton, Oconee, Clarke, Madison, Hart, Franklin, Banks, Jackson, Barrow, Gwinnett, De Kalb, Fulton, Douglas, Carroll, Haralson, Cobb, Forsyth, Hall, Stephens, Habersham, White, Lumpkin, Rabun, Cherokee, Bartow, Polk, Floyd, Chattooga, Walker, Dade, Catoosa, Whitfield, Murray, Gilmer, Pickens, Dawson, Fannin, Union, Towns, Gordon, and Paulding Counties, Georgia, and Randolph, Cleburne, Calhoun, St. Clair, Jefferson, Walker, Fayette, Lamar, Marion, Winston, Cullman, Blount, Etowah, Cherokee, De Kalb, Marshall, Morgan, Lawrence, Franklin, Colbert, Lauderdale, Limestone, Madison, and Jackson Counties, Ala., and to the City of Chattanooga, Tenn.

(6) From Savannah, Georgia, to points in Dade, Walker, Catoosa, Whitfield, Murray, Fannin, Gilmer, Pickens, Gordon, Chattooga, Floyd, Bartow, Cherokee, Fulton, Polk, Cobb, Paulding, Haralson, Carroll, Douglas, DeKalb, and Clayton Counties, Georgia, Chattanooga, Tenn., and Lauderdale, Limestone, Madison, Jackson, Colbert, Lawrence, Morgan, Marshall, DeKalb, Cherokee, Etowah, Blount, Cullman, Winston, Marion, Franklin, Lamar, Fayette, Walker, Jefferson, St. Clair, Calhoun, Cleburne, Randolph, Clay, Talladega, Shelby, Bibb, Hale, Greene, Pickens, Tuscaloosa, Sumter, Marengo, and Choctaw Counties, Ala., (7) from Mobile,

Ala., to points in Catoosa, Whitfield, Murray, Fannin, Union, Towns, Rabun, Gordon, Gilmer, Lumpkin, White, Habersham, Stephens, Pickens, Forsyth, Hall, Banks, Franklin, Hart, Elbert, Madison, Jackson, Barrow, Gwinnett, Fulton, Cherokee, Bartow, Paulding, Cobb, Walton, Oconee, Clark, Oglethorpe, Wilkes, Lincoln, Columbia, Richmond, McDuffie, Warren, Hancock, Taliaferro, Green, Morgan, Putman, Jasper, Newton, Rockdale, Henry, Butts, Clayton, and DeKalb Counties, Georgia, South Carolina; and Chattanooga, Tenn., (8) from Gulfport, Miss., to points in South Carolina, to Chattanooga, Tenn., and to points in Catoosa, Whitfield, Murray, Fannin, Union, Towns, Rabun, White, Habersham, Stephens, Banks, Hall, Lumpkin, Dawson, Pickens, Gilmer, Gordon, Bartow, Cherokee, Forsyth, Franklin, Cobb, Paulding, Douglas, DeKalb, Cowetta, Fayette, Clayton, Spaulding, Butts, Henry, Rockdale, Newton, Jasper, Walton, Oconee, Clark, Oglethorpe, Wilkes, Lincoln, Putnam, Greene, Taliaferro, Warren, Hancock, Richmond, Columbia, McDuffie, Burke, Jefferson, Glascock, Jenkins, Screven, Bulloch, Effingham, Chatham, Barrow, and Morgan Counties, Georgia.

(9) From New Orleans, La., to points in South Carolina; to Chattanooga, Tenn., and to points in Catoosa, Whitfield, Fannin, Murray, Gilmer, Union, Towns, Rabun, White, Habersham, Lumpkin, Dawson, Pickens, Gordon, Bartow, Cherokee, Forsyth, Hall, Banks, Stephens, Franklin, Hart, Elbert, Madison, Jackson, Barrow, Gwinnett, Fulton, Cobb, Paulding, Douglas, De Kalb, Walton, Oconee, Oglethorpe, Wilkes, Lincoln, Columbia, McDuffie, Monroe, Greene, Taliaferro, Morgan, Newton, Rockdale, Clayton, Fayette, Spaulding, Henry, Butts, Jasper, Putnam, Hancock, Warren, Richmond, Burke, Jefferson, Glascock, Washington, Baldwin, Jones, Bibb, Wilkinson, Johnson, Emanuel, Jenkins, Screven, Effingham, Bulloch, Candler, Bryan, Clarke, and Chatham Counties, Georgia., (10) from Brunswick, Georgia, to points in Lauderdale, Colbert, Limestone, Madison, Jackson, De Kalb, Marshall, Morgan, Lawrence, Franklin, Marion, Winston, Cullman, Blount, Etowah, Cherokee, Calhoun, St. Clair, Jefferson, Walker, Fayette, Lamar, Pickens, Tuscaloosa, Shelby, Taladega, Cleburne, Randolph, Clay, Greene, and Sumter Counties, Ala., Dade, Walker, Catoosa, Whitfield, Murray, Fannin, Union, Towns, Lumpkin, Hall, Dawson, Forsyth, Cherokee, Pickens, Gilmer, Gordon, Chattooga, Floyd, Bartow, Fulton, Gwinnett, De Kalb, Clayton, Cobb, Paulding, Polk, Haralson, Douglas, and Carroll Counties, Georgia, and to Chattanooga, Tennessee. The purpose of this filing is to eliminate the gateway of Atlanta, Georgia.

No. MC 115841 (Sub-No. E1), filed June 3, 1974. Applicant: COLONIAL REFRIGERATED TRANSPORTATION,

INC., P.O. Box 10327, Birmingham, Ala. 35202. Applicant's representative: E. Stephen Heasley, 666 Eleventh St., NW., Washington, D.C. 20001. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen meats*, from Wilmington, Del., to points in Arkansas (*Nashville, Tenn.), California, Oregon, Washington (*Birmingham, Ala.), Oklahoma, Texas, and points in Kansas on and east of U.S. Highway 81 (*Memphis, Tenn.). The purpose of this filing is to eliminate the gateways indicated by the asterisks above.

No. MC 128741 (Sub-No. E137), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between Owensboro and Louisville, Ky., on the one hand, and, on the other, points in South Carolina. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E178), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes transporting: *Household goods*, as defined by the Commission, between points in Ohio, on the one hand, and, on the other, points in Florida (except points in Duval, Clay, Nassau, Baker, Bradford, Union, Putnam, St. Johns, Flagler, Seminole, Lake, and Volusia Counties). The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E179), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Illinois on and north of a line from the Iowa-Illinois State line along Interstate Highway 80 to the junction of Illinois Highway 47, thence along Illinois Highway 47 to the junction of Illinois Highway 17, thence along Illinois Highway 17 to the junction of Illinois Highway 1, thence along Illinois Highway 1 to the junction of Illinois Highway 17, thence along Illinois Highway 17 to the Indiana-Illinois State line, on the one hand, and, on the other, points in New York on and east of a line from the Pennsylvania-New York State line along U.S.

Highway 14 to the junction of New York Highway 13, thence along New York Highway 13 to the junction of Interstate Highway 81, thence along Interstate Highway 81 to the United States-Canada International Boundary line. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E180), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Wyoming (except points in Niobrara, Converse, Weston, Crook, and Campbell Counties (excluding Gillette)), on the one hand, and, on the other, points in Nebraska on, south, and east of a line from the Kansas-Nebraska State line along U.S. Highway 83 to the junction of Nebraska Highway 70, thence along Nebraska Highway 70 to the junction of U.S. Highway 275, thence along U.S. Highway 275 to the junction of Nebraska Highway 51, thence along Nebraska Highway 51 to the Nebraska-Iowa State line. The purpose of this filing is to eliminate the gateway of Arnold, Nebr., and points within 40 miles thereof.

No. MC 128741 (Sub-No. E181), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Iowa on and north of U.S. Highway 20, on the one hand, and, on the other, points in Wyoming on, south, and west of U.S. Highway 20. The purpose of this filing is to eliminate the gateway of Arnold, Nebr., and points within 40 miles thereof.

No. MC 128741 (Sub-No. E182), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Barton, Dade, Jasper, Newton, Lawrence, Greene, Polk, and Dallas Counties, Mo., on the one hand, and, on the other, points in Tennessee on and east of a line from the Kentucky-Tennessee State line along Interstate Highway 65 to the junction of U.S. Highway 41, thence along U.S. Highway 41 to the junction of U.S. Highway 72, thence along U.S. Highway 72 to the Tennessee-Alabama State line. The purpose of this

filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E183), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Kansas, on the one hand, and, on the other, points in South Carolina, North Carolina, Virginia, West Virginia, New Jersey, Pennsylvania, and New York. The purpose of this filing is to eliminate the gateways of points in Indiana south of U.S. Highway 40 and points in Greene County, Mo.

No. MC 128741 (Sub-No. E184), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Kentucky, on the one hand, and, on the other, points in Kansas. The purpose of this filing is to eliminate the gateway of points in Barton, Dade, Cedar, and Greene Counties, Mo.

No. MC 128741 (Sub-No. E185), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Maryland, on the one hand, and, on the other, points in Wisconsin, Minnesota, Missouri, and Nebraska. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E186), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Massachusetts, on the one hand, and, on the other, points in Wisconsin, Minnesota, Missouri, and Nebraska. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E187), filed June 4, 1974. Applicant: AMERICAN

TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Michigan, on the one hand, and, on the other, points in South Carolina. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E188), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Missouri, on the one hand, and, on the other, points in New York, Pennsylvania, New Jersey, North Carolina, South Carolina, Virginia, and West Virginia. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E189), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Minnesota, on the one hand, and, on the other, points in New York, Pennsylvania, West Virginia, Virginia, North Carolina, and South Carolina. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E190), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in New Jersey, on the one hand, and, on the other, points in Wisconsin. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E191), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes,

transporting: *Household goods*, as defined by the Commission, between points in Alabama, on the one hand, and, on the other, points in Ohio, Indiana, Michigan, Wisconsin, Minnesota, Iowa, and Nebraska. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E192), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Colorado, on the one hand, and, on the other, points in North Carolina, Virginia, West Virginia, the District of Columbia, Maryland, New Jersey, Pennsylvania, Massachusetts, and New York. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E193), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Wyoming, on the one hand, and, on the other, points in South Carolina, North Carolina, Virginia, West Virginia, Pennsylvania, New York, Massachusetts, New Jersey, Maryland, and the District of Columbia. The purpose of this filing is to eliminate the gateways of Arnold, Nebr., and points within 40 miles thereof and points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E194), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 So. 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Nebraska, on the one hand, and, on the other, points in South Carolina, North Carolina, Virginia, West Virginia, Pennsylvania, New York, and New Jersey. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E195), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 So. 14th St., P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes,

transporting: *Household goods*, as defined by the Commission, between points in Florida, on the one hand, and, on the other, points in Michigan, Indiana, Wisconsin, Iowa, Minnesota, and Nebraska. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

No. MC 128741 (Sub-No. E197), filed June 4, 1974. Applicant: AMERICAN TRANS-CONTINENTAL VAN LINES, INC., P.O. Box 80266, Lincoln, Nebr. 68501. Applicant's representative: A. J. Swanson, 521 South 14th Street, P.O. Box 81849, Lincoln, Nebr. 68501. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission, between points in Indiana, on the one hand, and, on the other, points in Tennessee, Virginia, New Jersey, North Carolina, South Carolina, Texas, and Oklahoma. The purpose of this filing is to eliminate the gateway of points in Indiana south of U.S. Highway 40.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.
[FR Doc.74-25801 Filed 11-4-74;8:45 am]

[Notice No. 623]

ASSIGNMENT OF HEARINGS

OCTOBER 31, 1974.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after November 5, 1974.

MC 138641, Morris Levenburg Contract Carrier Application now assigned December 6, 1974, at Chicago Illinois. (1 day), in a hearing room to be later designated.

No. 35914, H & R Iron and Metal Company v. Chicago and Northwestern Transportation Company, now being assigned the 9th day of December, 1974 (1 day) at Chicago, Illinois, in a hearing room to be later designated.

AB-31 Sub 1, Grand Trunk Western Railroad Company Abandonment Between Lakeland and Jackson, in Livingston, Ingham, and Jackson Counties, Michigan, now being assigned the 10th day of December, 1974 (2 days) at Jackson, Michigan, in a hearing room to be later designated.

MC 1263 Sub. 18, McCarty Truck Line, Inc., now assigned December 2, 1974 at Lincoln Nebr., is postponed indefinitely. MC 124211 Sub 233, Hilt Truck Lines, Inc., now assigned November 6, 1974, at Omaha, Nebr., is cancelled and the application is dismissed.

[SEAL] ROBERT L. OSWALD,
Secretary.
[FR Doc.74-25794 Filed 11-4-74;8:45 am]

[Notice No. 182]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

NOVEMBER 5, 1974.

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27, 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings on or before November 25, 1974. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-75397. By order of October 23, 1974, the Motor Carrier Board approved the transfer to House of Travel, Inc., Norman, Okla., of the License in No. MC-12919 issued September 9, 1965, to Margareta Blenkinsop, doing business as Travel Unlimited, Norman, Okla., authorizing the holder to engage in operations as a broker in connection with the transportation by motor vehicle of passengers and their baggage, beginning and ending at Norman, Okla., and extending to points in the United States, including Alaska and Hawaii. Ralph G. Thompson, 2120 First National Building, Oklahoma City, Okla. 73102 Attorney for applicants.

No. MC-FC-75404. By order of October 23, 1974, the Motor Carrier Board approved the transfer to Gerald R. Davis and Harold R. Prigmore, a partnership, doing business as J & D Towing, Salt Lake City, Utah, of the operating rights in Certificate No. MC-123605 issued September 18, 1973, to Vern Rowley, Inc., doing business as Vern's Conoco, Lehi, Utah, authorizing the transportation of wrecked or disabled motor vehicles, except passenger automobiles, in truck-away service, by means of heavy duty wrecker equipment only, between points in Davis, Salt Lake, and Weber Counties, Utah, on the one hand, and, on the other, points in Arizona, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming. Irene Warr, 430 Judge Building, Salt Lake City, Utah 84111 Attorney for applicants.

No. MC-75434. By order entered 10-23-74 the Motor Carrier Board approved the transfer to Tajon, Inc., a Delaware Corporation, Mercer, Pa., of the operating rights set forth in Certificates Nos. MC-5470, MC-5470 (Sub-No. 11), MC-5470 (Sub-No. 16), MC-5470 (Sub-No. 20), MC-5470 (Sub-No. 24), MC-5470 (Sub-No. 25), MC-5470 (Sub-No. 27),

MC-5470 (Sub-No. 28), MC-5470 (Sub-No. 29), MC-5470 (Sub-No. 30), MC-5470 (Sub-No. 31), MC-5470 (Sub-No. 32), MC-5470 (Sub-No. 33), MC-5470 (Sub-No. 34), MC-5470 (Sub-No. 35), MC-5470 (Sub-No. 36), MC-5470 (Sub-No. 37), MC-5470 (Sub-No. 39), MC-5470 (Sub-No. 40), MC-5470 (Sub-No. 41), MC-5470 (Sub-No. 42), MC-5470 (Sub-No. 44), MC-5470 (Sub-No. 45), MC-5470 (Sub-No. 46), MC-5470 (Sub-No. 48), MC-5470 (Sub-No. 49), MC-5470 (Sub-No. 50), MC-5470 (Sub-No. 51), MC-5470 (Sub-No. 52), MC-5470 (Sub-No. 53), MC-5470 (Sub-No. 54), MC-5470 (Sub-No. 55), MC-5470 (Sub-No. 56), MC-5470 (Sub-No. 57), MC-5470 (Sub-No. 58), MC-5470 (Sub-No. 59), MC-5470 (Sub-No. 60), MC-5470 (Sub-No. 61), MC-5470 (Sub-No. 62), MC-5470 (Sub-No. 64), MC-5470 (Sub-No. 65), MC-5470 (Sub-No. 66), MC-5470 (Sub-No. 67), MC-5470 (Sub-No. 68), MC-5470 (Sub-No. 69), MC-5470 (Sub-No. 70), MC-5470 (Sub-No. 71), MC-5470 (Sub-No. 73), MC-5470 (Sub-No. 76), MC-5470 (Sub-No. 80), and MC-5470 (Sub-No. 81), issued by the Commission October 18, 1956, November 16, 1965, December 10, 1965, May 19, 1967, August 30, 1967, June 28, 1968, February 15, 1968, February 15, 1968, April 2, 1968, June 12, 1968, July 15, 1968, June 18, 1968, August 29, 1968, June 24, 1968, June 20, 1968, December 30, 1968, August 28, 1968, October 10, 1968, April 24, 1969, January 24, 1969, March 6, 1969, April 24, 1969, April 14, 1969, September 10, 1969, September 10, 1969, June 11, 1969, June 23, 1969, September 10, 1969, June 25, 1969, July 21, 1969, November 17, 1969, May 28, 1970, June 16, 1970, May 7, 1970, July 31, 1970, September 3, 1971, October 22, 1971, December 21, 1971, February 7, 1972, June 7, 1972, February 23, 1973, January 30, 1973, May 10, 1973, April 10, 1974, April 24, 1973, July 12, 1974, November 20, 1973, August 7, 1974, July 3, 1974, August 7, 1974, and April 10, 1974, respectively, to Tajon, Inc., an Ohio corporation, Mercer, Pa., authorizing the transportation of such commodities as are usually transported in bulk, in dump vehicles, and various specified commodities, from, to, or between points in Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin.

Donald E. Cross, 918 16th St. NW, Washington, D.C. 20006, attorney for applicants.

No. MC-FC-75438. By order entered 10-23-74, the Motor Carrier Board approved the transfer to William F. McKenna, Franklin, Mass., of the operating rights set forth in Certificate No. MC-59929, issued May 1, 1952, to John B. Reilly, doing business as Reilly's Franklin-Boston Express, Franklin, Mass., authorizing the transportation of general commodities, with the usual exceptions, between Franklin, Mass., and Boston,

Mass., over specified routes, serving no intermediate points.

William F. McKenna, 61 Crescent St., Franklin, Mass. 02038, transferee and John B. Reilly, 145 East St., Franklin, Mass. 02038, transferor.

No. MC-FC-75450. By order of October 23, 1974, the Motor Carrier Board approved the transfer to Leo Cottrell, Dresser, Wisc., of the operating rights in Certificate No. MC-113868 issued April 18, 1958 to Harold Brust, Dresser, Wisc., authorizing the transportation of agricultural limestone, in bulk, from points in Polk County, Wisc., to points in Pine, Chicago and Isanti Counties, Minn.

F. H. Kroeger, 1745 University Ave., St. Paul, Minn. 55104. Representative for applicants.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25793 Filed 11-4-74;8:45 am]

[AB 6; Sub-No. 12]

BURLINGTON NORTHERN, INC.

Abandonment Between Monticello and Clearwater, in Wright, Sherburne and Stearns Counties, Minn.

OCTOBER 22, 1974.

The Interstate Commerce Commission hereby gives notice that: 1. On Thursday, August 22, 1974, notice was published in Wright, Sherburne, and Stearns Counties, Minn., that an environmental threshold assessment survey was made in the above-entitled proceeding and based on that assessment an order was served finding that the proceeding does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321, et seq. 2. No comments in opposition, of an environmental nature, were received by the Commission in response to the August 22, 1974 notice. 3. This proceeding is now ready for further disposition within the Office of Hearings or the Office of Proceedings as appropriate.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25796 Filed 11-4-74;8:45 am]

[Finance Docket No. 26877]

CHICAGO AND NORTH WESTERN TRANSPORTATION CO.

Abandonment Between Winthrop, Sibley County, and Klossner, Nicollet County, Minn.

OCTOBER 22, 1974.

The Interstate Commerce Commission hereby gives notice that: 1. On Thursday, September 19, 1974, notice was published in Sibley and Nicollet Counties, Minn., that an environmental threshold assessment survey was made in the above-entitled proceeding and based on that assessment an order was served finding that the proceeding does not constitute a major Federal action significantly af-

fecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321, et seq. 2. No comments in opposition, of an environmental nature, were received by the Commission in response to the September 19, 1974 notice. 3. This proceeding is now ready for further disposition within the Office of Hearings or the Office of Proceedings as appropriate.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25797 Filed 11-4-74;8:45 am]

[Finance Docket No. 26649]

CHICAGO AND NORTH WESTERN TRANSPORTATION CO.

Abandonment Between Orange City and N. I. Junction, Sioux County, Iowa

OCTOBER 22, 1974.

The Interstate Commerce Commission hereby gives notice that: 1. On Wednesday, October 2, 1974, notice was published in Sioux County, Iowa, that an environmental threshold assessment survey was made in the above-entitled proceeding and based on that assessment an order was served finding that the proceeding does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321, et seq. 2. No comments in opposition, of an environmental nature, were received by the Commission in response to the October 2, 1974 notice. 3. This proceeding is now ready for further disposition within the Office of Hearings or the Office of Proceedings as appropriate.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25799 Filed 11-4-74;8:45 am]

[Finance Docket No. 26560]

ILLINOIS CENTRAL GULF RAILROAD

Abandonment Between Fayette, Jefferson County and Foster, Adams County, Miss.

OCTOBER 22, 1974.

The Interstate Commerce Commission hereby gives notice that: 1. On Saturday, September 21, 1974, notice was published in Adams and Jefferson Counties, Miss., that an environmental threshold assessment survey was made in the above-entitled proceeding and based on that assessment an order was served finding that the proceeding does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4321 et seq. 2. No comments in opposition, of an environmental nature, were received by the Commission in response to the September 21, 1974 notice. 3. This proceeding is now ready for further disposition within

the Office of Hearings or the Office of Proceedings as appropriate.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25795 Filed 11-4-74;8:45 am]

[Finance Docket No. 26660]

NEW YORK, SUSQUEHANNA AND WESTERN RAILROAD CO.

Abandonment Passaic Branch, Passaic and Clifton Cities, Passaic County, and Garfield City, Bergen County, N.J.

Upon consideration of the record in the above-entitled proceeding, and of a staff-prepared environmental threshold assessment survey which is available for public inspection upon request; and

It appearing, that no environmental impact statement need be issued in this proceeding because this proceeding does not represent a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969, 42 U.S.C. 4321, et seq.; and good cause appearing therefor:

It is ordered, That applicant be, and it is hereby, directed to publish the appended notice in newspapers of general circulation in Passaic and Bergen Counties, N.J., within 15 days of the date of service of this order, and certify to the Commission that this has been accomplished.

And it is further ordered, That notice of this order shall be given to the general public by depositing a copy thereof in the Office of the Secretary of the Commission at Washington, D.C., and by forwarding a copy to the Director, Office of the Federal Register, for publication in the FEDERAL REGISTER.

Dated at Washington, D.C., this 10th day of October, 1974.

By the Commission, Commissioner Tuggle.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25800 Filed 11-4-74;8:45 am]

[Finance Docket No. 26660]

NEW YORK, SUSQUEHANNA AND WESTERN RAILROAD COMPANY ABANDONMENT PASSAIC BRANCH PASSAIC AND CLIFTON CITIES PASSAIC COUNTY, AND GARFIELD CITY, BERGEN COUNTY, NEW JERSEY

The Interstate Commerce Commission hereby gives notice that by order dated October 10, 1974, it has been determined that the proposed abandonment by New York, Susquehanna and Western Railroad Company of its 2.25 miles of rail line between Passaic and Clifton, Passaic County, and Garfield, Bergen County, N.J., if approved by the Commission, does not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. §§ 4321, et seq., and that preparation of a detailed environmental impact statement will not be required under section 4332(2)(C) of the NEPA.

NOTICES

It was concluded, among other things, that the environmental impacts of the proposed action are considered insignificant because (1) no major ecological impacts are involved, (2) adequate highways and alternative rail services are located near the involved shippers and have been utilized since 1969 when the line was embargoed due to the inadequate condition of the Passaic River Bridge, and (3) the possibility of restoring direct rail service is remote because of the removal of the bridge following tropical storm Doria in 1971.

This determination was based upon the staff preparation and consideration of an environmental threshold assessment survey, which is available for public inspection upon request to the Interstate Commerce Commission, Office of Proceedings, Washington, D.C. 20423; telephone 202-343-2086.

Interested parties may comment on this matter by the submission of representations

to the Interstate Commerce Commission, Washington, D.C., 20423, on or before November 20, 1974.

[FR Doc.74-25800 Filed 11-4-74;8:45 am]

FOURTH SECTION APPLICATION FOR RELIEF

OCTOBER 31, 1974.

An application, as summarized below, has been filed requesting relief from the requirements of section 4 of the Interstate Commerce Act to permit common carriers named or described in the application to maintain higher rates and charges at intermediate points than those sought to be established at more distant points.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1100.40) and filed on or before November 20, 1974.

FSA No. 42893—*Joint Water-Rail Container Rates—Yamashita-Shinnihon Line*. Filed by Yamashita-Shinnihon Line, (No. 6), for itself and interested rail carriers. Rates on general commodities, between ports in Hong Kong, Japan, Korea and Taiwan, and rail stations on the U.S. Atlantic and Gulf Seaboard.

Grounds for relief—Water competition.

By the Commission.

[SEAL]

ROBERT L. OSWALD,
Secretary.

[FR Doc.74-25798 Filed 11-4-74;8:45 am]

TUESDAY, NOVEMBER 5, 1974

WASHINGTON, D.C.

Volume 39 ■ Number 214



PART II

SMALL BUSINESS ADMINISTRATION

■

SMALL BUSINESS INVESTMENT COMPANIES

Accounting Guidelines

Title 13—Business Credit and Assistance
CHAPTER I—SMALL BUSINESS
ADMINISTRATION
 [Amdt. 1 (Rev. 5)]

PART 107—SMALL BUSINESS INVESTMENT COMPANIES ACCOUNTING GUIDELINES

On June 3, 1974, notice of proposed rulemaking was published in the *FEDERAL REGISTER* (39 FR 19662-19760) concerning the revised accounting guidelines (by amending §§ 107.1, 107.202(c), 107.203(d), and 107.1102(e) as well as by adding Appendices A, B, and C to Part 107 of the regulations). Interested persons were invited to submit written comments on or before June 28, 1974. After considering the comments received, the proposed accounting guidelines are being adopted with certain modifications, as set forth below.

Effective date. Amendment 1 to Revision 5 shall be effective December 1, 1974. Therefore, Annual Reports, SBA Form 468, for fiscal years ended after November 30, 1974, will be prepared and submitted to the Small Business Administration (SBA) in accordance with the revised accounting guidelines.

Information. The Audit and Examination Guide for Small Business Investment Companies and the Instructions for the preparation of Financial Report, SBA Form 468, prior to the current revision were issued as Appendices 1 and 2, respectively, to Part 107 of the SBA regulations. The System of Account Classifications was issued as Part 111 of SBA regulations. Revision 5 of Part 107 of the SBA regulations prior to this amendment, did not include Appendices 1 and 2, and Part 111 of the SBA regulations was repealed, effective November 7, 1973.

The amendments contained herein incorporate, (a) the Audit Guide for Small Business Investment Companies, (b) Guide for the Preparation of the Annual Report (SBA Form 468), and (c) System of Account Classification, as Appendices A, B, and C, respectively, to Part 107 of the SBA Regulations. Accordingly, the following sections of the regulations are being amended to reflect the addition of the revised guidelines as Appendices to Part 107 of the SBA regulations.

1. Sections 107.1 and 107.1102(e) have been amended to include the accounting guidelines as appendices to Part 107 of SBA regulations.

2. Section 107.202(c) has been amended to clarify the method of determining "total funds available for investment" based on the revised Statement of Financial Position.

3. Section 107.203(d) has been amended to redefine "capital impairment" based on the revised accounting guidelines.

The Guidelines have been revised to accomplish the following objectives:

1. While adhering to the legislative and regulatory requirements of the SBIC Program, (a) implement the accounting and reporting practices expressed by the American

Institute of Certified Public Accountants in their industry audit guide, "Audits of Investment Companies" (1973) and (b) change certain accounting policies so as to bring the prescribed policies more in accordance with generally accepted accounting practices.

2. Restructure the Annual Report, SBA Form 468, by separating the financial statements from the supporting data, and

3. Update the accounting system to reflect recent accounting and program changes.

In addition, several less significant changes throughout have been made.

Accounting policies. As a general rule, Licensees are to follow generally accepted accounting principles. The accounting guidelines identify some of the more significant accounting principles and reporting practices Licensees are to follow (Appendix C). Changes include the basis of accounting and reporting loans and investments as well as practices of realizing gain on securities transactions.

Loans and investments are to be reported on the value basis, rather than the cost basis with a reserve for losses. The adoption of value accounting specifically does not take away the Licensee's prerogative of establishing a reserve for loss on loans and investments, either for accounting or tax purposes (See section 586 of the Internal Revenue Code). Rather, under value accounting, all measurable components of valuation are to be considered, a practice broader in scope than accounting for loans and investments at cost, with a reserve for losses. Such valuations, however, are estimates only and when determining results of operations, separate but parallel measurements of realized, and change in unrealized activities, are required.

Provisions for losses on loans and investments are included in the change in unrealized depreciation as reflected in the Statement of Unrealized Gain (Loss) on Securities Held. Previously, such provisions were reflected in the Statement of Operations as an Expense. Reserves for losses on loans and investments are the accumulation of provisions previously made and essentially comprise unrealized depreciation. Previously, such reserves were used to absorb losses realized on loans and investments.

When securities are sold, the entire gain or loss is reflected as realized and the previously recognized unrealized gain or loss will be reversed. The "realization process" is one of reclassifying as realized that which has been previously recognized as unrealized. Accordingly, the overall effect of the realization process on results of operations will be minimal since the measurement of results of operations encompasses both realized operations and change in the unrealized gain or loss on securities held.

When value accounting is adopted (to avoid double charge for losses) the Licensee will have to restore reserves for losses on loans and investments to "retained earnings" and establish such reserves as unrealized depreciation.

With respect to realizing gain or securities transactions, gains will be realized when securities are sold, rather than at the time of collection. Accordingly, the installment method of accounting for

securities transactions, previously an alternate accounting method, will no longer be applicable. In those transactions where part of the net sales price is other than cash, SBIC program policy requires the cost recovery method to be applied in determining when the gain is collected.

Frequently, Licensees acquire securities of the same class from an investee at different prices and subsequently sell a portion of the holdings. In such cases, the effect of using the "specific identity method" may be "profits management" where the results deviate significantly from the "average cost method". Accordingly, the preferable method of determining cost of such securities sold is the average cost method, notwithstanding that the specific identity method of costing securities sold is permitted for accounting and tax purposes.

The accounting treatment for the "interest subsidy" on 301(d) Licensee debentures has been modified. The interest subsidy will be treated as a contingent item until a determination is made that a distribution will occur. When such determination is made, a liability will be established for the cumulative interest subsidy which amount will be treated as an expense of the period.

Audit Guide for Small Business Investment Companies—Appendix A. The Audit Guide is designed to assist the accountant in those areas that are distinctive in the SBIC Program, and does not attempt to identify specific procedures to be followed in the examination. Accordingly, the accountant will follow generally accepted auditing standards in performing the audit.

The report is to be a short-form report as illustrated in the audit guide rather than the long-form special type report previously required.

The audit is to be an examination of the Licensee's financial statements. Accordingly, the statements contained in the Financial Report, Part I of SBA Form 468, will be the basis of the accountant's opinion. The opinion is not expected to be extended to the schedules contained in the Management Report, Part II of SBA Form 468, as previously required.

Guide for Preparation of Annual Report—Appendix B. The Guide is intended to illustrate how the Annual Report, SBA Form 468, is to be prepared and the source of the information reported. Although the format of the Annual Report is standard, Licensees are expected to include only those statements and schedules that pertain to their operations.

The SBA Form 468 has been restructured to be a two-part report:

Part I—Financial Report, and
 Part II—Management Report.

The purpose of a two-part report is to distinguish between the primary financial information, and the supporting analytical data.

The Financial Report contains the financial statements as audited by the Licensee's independent accountant, the accountant's report, schedule of loans

* Filed as part of the original document.

and investments, and notes to the financial statements. The schedule of loans and investments is to be covered by the auditor's opinion. This requirement is consistent with generally accepted accounting practices. It should be noted that the format of financial statements is significantly different from those previously required. Such changes result primarily from accounting and reporting practices recently expressed by the American Institute of Certified Public Accountants in its industry audit guide. The Management Report is designed to present analytical data for evaluation of the Licensee's operations on a functional basis. Accordingly, the format of the report is designed primarily to provide:

1. An overview of the Licensee's operations,
2. An analysis of unrealized gain (loss) on securities held,
3. Activity and status of loans and investments, and
4. Other data.

The report is essentially comprised of schedules (pages 6 through 20) of the SBA Form 468 as previously required. Measurement of the activity and status of loans and investments remains essentially the same as previously required. Certain modifications, however, have been made with respect to classifications of loans and investments. A new requirement is on Analysis of Unrealized Gain (Loss) on Securities Held. Finally, a discretionary addition to the report is an overview of the licensee's operations.

The overview is intended to be a brief (two or three page) summary highlighting significant information that is not available to SBA, or is an interpretive analysis of specific data contained elsewhere in the report. It is not intended to be a narrative of the Licensee's operations of unlimited scope. The tone and style of the overview is expected to be similar to management's letter to stockholders in a corporate annual report. Although routine disclosure of such information is in the best interest of Licensees, inclusion of the overview in the Management Report is at the licensee's discretion.

System of Account Classification—Appendix C. The system of accounts remains basically unchanged. A brief statement of accounting principles has been added. Also, several accounts have either been added or deleted to reflect recent changes in the program as well as changes in accounting principles and reporting practices.

Dated: October 18, 1974.

LOUIS F. LAUN,
Acting Administrator.

Pursuant to authority of section 308 (c) of the Small Business Investment Act of 1958 (Act), 15 U.S.C. 687, Part 107 of Chapter I, Title 13 of the Code of Federal Regulations is amended as follows:

1. The table of contents is amended to add Appendices A, B, and C as follows:

Appendix A—Audit Guide for SBICs.
Appendix B—Guide for the preparation of the Annual Report, SBA Form 468.

Appendix C—System of Account Classification.

2. Section 107.1 is revised to read as follows:

§ 107.1 Scope of Part 107.

The regulations in this part implement the Small Business Investment Act of 1958, as amended. All Licensees, including section 301(d) Licensees, must comply with all applicable regulations and appendices.¹

3. Paragraph (c) of § 107.202 is revised to read as follows:

§ 107.202 Leverage in excess of two hundred percent.

(c) The term "total funds available for investment" shall mean ninety percent of the sum of total current assets and loans and investments on a cost basis net of current maturities. (Based on the Statement of Financial Position, "total current assets" is the aggregate of lines 14 through 23 and "loans and investments on a cost basis net of current maturities" is line 10, column 1 less line 11.) Venture Capital investments shall be valued on the same basis as Licensee's assets comprising its "total funds available for investment". A financing carried as Assets Acquired in Liquidation of Portfolio Securities or Operating Concerns Acquired which originally qualified as Venture Capital shall retain the Venture Capital qualification.

4. Paragraph (d) of § 107.203 is revised to read as follows:

§ 107.203 SBA purchase, sale, or guaranty of securities evidencing leverage; events of default.

(d) In addition to the events of default set forth in paragraph (b)(6) of this section, capital impairment occurring after November 7, 1973, shall also constitute an event of default if Licensee fails to give SBA prompt written notice as soon as it knows or should reasonably have known thereof, or if, following such notice, Licensee fails to cure the impairment within time limits set by SBA in writing. In either such event, SBA may, in its discretion, by written notice declare the entire indebtedness of the Licensee, issued to, held or guaranteed by SBA, immediately due and payable. Capital impairment shall be deemed to exist when the Undistributed Realized Earnings Deficit (lines 47 and 48 of the Statement of Financial Position) of a section 301(d) Licensee exceeds one hundred percent, or that of any other Licensee exceeds fifty percent of Private Capital. Treasury stock shall be deducted from paid-in capital stock and paid-in surplus in determining Private Capital. Where unrealized appreciation is not sufficient to offset unrealized depreciation

¹ The accounting guidelines for SBICs include Audit Guide for SBICs, Guide for the Preparation of the Annual Report, SBA Form 468, and the System of Account Classification, and are set forth as Appendices A, B, and C to these regulations.

on loans and investments, the resulting Unrealized Loss on Securities Held (line 46 of the Statement of Financial Position) will be added to Undistributed Realized Earnings.

5. Paragraph (e) of § 107.1102 is revised to read as follows:

§ 107.1102 Records and reports.

(e) **Filing of SBA Form 468.** Each Licensee shall submit to SBA, at the end of each fiscal year, a report containing financial statements for the fiscal year (Part I of SBA Form 468) as well as management information (Part II of SBA Form 468.) When requested by SBA, interim reports may be required, i.e., financial statements and/or management information. The reports are to be prepared in accordance with Appendix B, Guide for the Preparation of the Annual Report, SBA Form 468, which is equally applicable to interim reports, and shall be filed on the prescribed form, in triplicate, with the Investment Division, SBA, on or before the last day of the month immediately following the end of the reporting period (in the case of interim reports), and on or before the last day of the third month following the end of the reporting period (in the case of the Annual Report). The financial statements contained in the Annual Report will be examined by the Licensee's SBA-approved independent public accountant in accordance with Appendix A, Audit Guide for Small Business Investment Companies. The 1940 Act Companies should refer to the rules of the Securities and Exchange Commission for the reports to be filed with SEC.

6. Appendix A—Audit Guide for Small Business Investment Companies is added and reads as follows.

APPENDIX A—AUDIT GUIDE FOR SMALL BUSINESS INVESTMENT COMPANIES

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I. INTRODUCTION

A. *Statement of policy.* The independent public accountant engaged to examine the financial statements of a Small Business Investment Company (SBIC) is responsible to insure that the audit is made in accordance with generally accepted auditing standards as expressed by the American Institute of Certified Public Accountants (AICPA). The auditor will also follow the provisions of this Guide as well as the Audit Guide for Investment Companies issued by the AICPA in September 1973 to be effective December 31, 1974.

In carrying out the stated policies of SBA, and specifically the SBIC program, independent public accountants engaged in the practice of public accounting are expected to participate in their own localities in the audit program of SBICs.

This Audit Guide for SBICs (SBA Audit Guide) was prepared by the Small Business Administration (SBA). Any inquiries or comments relating to the examination of financial statements of SBICs or to the auditing and reporting procedures should be directed to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416.

B. *Purpose of the Guide.* The SBA Audit Guide has been written primarily to assist auditors of SBICs in performing their financial examination by focusing on matters that are unique to the SBIC program and the venture capital industry. It should be noted that this Guide is not intended to be a substitute for the accountant's judgment as to the work required to meet generally accepted auditing standards.

C. *AICPA and SBA Audit Guide relationships.* Although the accounting principles

and auditing procedures set forth in the Investment Company Audit Guide issued by the AICPA (AICPA Audit Guide) are intended to apply to all investment companies; the AICPA's guide was written primarily for the guidance of auditors of mutual funds and closed-end companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended (the 40 Act). The AICPA's Guide recognized that several types of investment companies exist and that SBICs and venture capital companies are unique in many fundamental respects. Accordingly, Appendix E of the AICPA's Guide highlights several of these characteristics. The SBA Audit Guide for SBICs is intended to deal more specifically with areas that are unique to SBICs.

The auditor should recognize that the financial statement presentation of the AICPA's Guide differs in certain respects from the requirements of the SBA Guide. Such differences occur because the AICPA's Guide is broad in scope and applies to all types of investment companies, whereas the SBA's Guide is narrow in scope and applies to a specific type of investment company, i.e., SBICs most of which are not registered with the SEC under the 40 Act. Accordingly, the Auditor is expected to follow the requirements of the SBA Guide, and related instructions.

II. SMALL BUSINESS INVESTMENT COMPANY INDUSTRY

A. *History and nature.* In 1958, Congress established the Small Business Investment Company program. SBICs are privately owned, SBA licensed and regulated companies whose primary purpose is to provide equity capital and long-term financing to small firms for the sound financing of their business operations and for their growth, expansion and modernization. SBICs may also provide management assistance to small business concerns.

For the purposes of the SBIC program, a concern is considered small on one of two bases: (1) Its assets do not exceed \$7.5 million, its net worth is not more than \$2.5 million and its most recent two-year average income after taxes does not exceed \$250,000; or (2) the concern qualifies under the regular business loan size standards (Part 121 of the SBA rules and regulations.) The statutory minimum private capitalization of an SBIC (hereafter referred to as licensee) is \$150,000. SBA may require higher private investment, depending on the area to be served and the prospect for sound and profitable operations.

The SBA may purchase debentures of a licensee to augment the funds available to the licensee for investment and may also guarantee debentures of the licensee which are issued to others. Such debentures, whether purchased or guaranteed by the SBA, unless otherwise determined by the SBA, subordinated and may have terms of up to 15 years. The total principal amount of outstanding debentures purchased or guaranteed by the SBA and issued to any particular licensee may, in general, not exceed at any one time an amount equal to twice such licensee's paid-in capital and paid-in surplus or \$15 million, whichever is less. However, licensees specializing in venture capital financing and capitalized at \$500,000 or more may qualify for leverage in an amount equal to three times their capital up to an aggregate of \$30 million.

Prior to the 1972 Amendments to the Small Business Investment Act of 1958, SBA had administratively created a special class of licensee's to encompass SBICs which were engaged solely in financing small business concerns owned and managed by persons whose participation in the free enterprise system is hampered by social or economic

disadvantages. These special licensees were legislatively recognized by the 1972 Amendments to the Act and are now designated as "301(d) licensees." Pursuant to these Amendments, SBA may purchase cumulative, nonvoting preferred stock of a 301(d) licensee and may also purchase or guarantee a 301(d) licensee's debentures, subject to certain specified restrictions as to the total amount of such securities which may be purchased and outstanding at any one time.

In addition to being regulated by SBA, certain licensees are registered with the SEC under the 40 Act and, accordingly, are subject to regulation by SEC as well as SBA.

Licensees are different from other types of investment companies, particularly mutual funds. Licensees provide funds directly to the small business concern rather than buying their securities for investment in the market place. Licensees usually become financial partners with the small business concern in the sense that there is a working relationship between the investor and the investee. Investments are often made in packages (combinations of debt, convertible issues, warrants, preferred and common stock) and involve rights not normally associated with traditional securities (right of inspection, attendance at board meetings, first refusals on financing, etc.). Finally, licensee's financings are usually of a long-term or equity nature, which restricts the marketability of such investments.

B. *Regulations and procedural releases.* Part 107 of SBA rules and regulations implements the Small Business Investment Act of 1958, as amended, and applies to licensees.

Included in part 107 of SBA Regulations are three appendices:

Appendix:	Title
A-----	Audit Guide for SBICs.
B-----	Guide for the Preparation of the Annual Report, SBA Form 468.
C-----	System of Account Classifications for SBICs.

In addition to the above referenced appendices, the accountant should be familiar with Policy and Procedural Release No. 2006 which sets forth the valuation guidelines to assist licensees in valuing their securities.

C. *Accounting system.* Under Appendix C to Part 107 of the SBA rules and regulations, (formerly Part 111 of the SBA rules and regulations) SBA has prescribed a standard accounting system to be used by licensees.

The System of Account Classification, which is on the accrual basis, accounts for loans and investments at value. By design, the system is basic and can be expanded to meet the needs of a particular licensee.

Section 107.1102 of the SBA rules and regulations provides further instruction concerning preservation of records and other reporting requirements.

III. ACCOUNTING POLICIES AND PRACTICES

A. *General.* As a general rule, accounting policies followed by licensees are those expressed by the American Institute of CPAs as generally accepted accounting principles and practices. Certain of these principles and practices are prescribed in the AICPA's audit guide. The System of Accounts Classification (Appendix C) in Item II identifies particular accounting policies and practices licensees are to follow.

B. *Reporting entity.* The auditor should bear in mind that the reporting entity being audited is the licensee. Those securities and assets that are held for investment are to be reported on the fair value basis.

The licensee may hold an investment in a 301(d) licensee and/or have a wholly owned

management consulting subsidiary. Such securities would not be considered held for investment but are considered held for long-term operating purposes.

1. *Equity method of accounting for investments in common stock.* "Equity" method of accounting for investments in common stock is not to be confused with the "fair value" method of reporting portfolio securities. Under the equity method, an investor initially records an investment in the stock at cost, and adjusts the carrying amount of the investment to recognize the investor's share of the earnings or losses of the investee after the date of acquisition. The amount of the adjustment is included in the determination of net income by the investor. Dividends received from an investee reduce the carrying amount of the investment. Accounting Principles Board Opinion No. 18 issued in March 1971 by the AICPA specifically does not apply to licensees whether or not registered under the Investment Company Act of 1940 as explained in paragraph 2 of that Opinion.

The AICPA Audit Guide states that investments in other than portfolio securities which meet the criteria of APB Opinion No. 18 should be carried on the equity basis. As applied to licensees, this would only apply to investments in section 301(d) licensees. In those cases where a 301(d) licensee is a subsidiary of another licensee, such subsidiary should be reported as an unconsolidated subsidiary by the parent licensee.

2. *Policy on Consolidated Financial Statements.* Consolidated Financial Statements are to be filed with SBA only where the licensee has a management consulting subsidiary. Under SBA Regulations, management consulting subsidiaries are to be wholly owned and are to be consolidated with the licensee parent.

Under certain circumstances, a licensee may temporarily own more than 50 percent equity position in a financed concern. Such investments are to be reported on the fair value basis and classified as loans and investments rather than being reported on a consolidated basis with the licensee.

IV. REPORTING REQUIREMENTS

A. *Annual Financial Report.* The Small Business Administration, under authority granted by the Small Business Investment Act of 1958, as amended, (1958 Act) requires licensees to have their financial statements examined annually by independent public accountants approved by SBA. The annual audit shall be performed as of the close of the licensee's fiscal year.

Three copies of the accountant's report including the Financial Report prepared on forms contained in Part I, SBA Form 468, shall be submitted to SBA by the licensee as soon as practicable after completion and no later than the last day of the third month following the close of the period covered by the audit. Attached to the inside of the back cover of each copy of the audit report should be a copy of any transmittal letter, special reports, or similar communications furnished to the licensee by the auditor. If adjusting entries are furnished to the licensee with the report, they should be submitted to SBA.

B. *Reporting irregularities.* The independent public accountant shall promptly inform a responsible official of the licensee and the Deputy Associate Administrator for Investments, Investment Division, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416 concerning apparent defalcations or other financial irregularities that may come to his attention in connection with his examination. Based on available information, he will indicate the nature and extent of such defalcations or other irregularities.

C. *Regulated investment companies.* Concerning licensees that are registered with the Securities and Exchange Commission, additional reports are required by SEC which are identified in Chapter 1 of the AICPA's Audit Guide. It should be noted that any report submitted by a licensee to the SEC shall also be submitted to the Investment Division, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416.

D. *Special Management Reports.* Frequently, the independent public accountant will render special reports to the licensee's management. Examples are reports on evaluation of internal control or evaluation of specific portfolio concerns. A copy of such reports shall also be promptly submitted by the licensee to the Investment Division, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416.

V. QUALIFICATION AND SELECTION OF AUDITOR

A. *Qualification of accountants.* Any public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, who is independent and who is duly authorized to practice as a public accountant, and is in good standing under the laws of the State or other comparable authority in which so authorized, may be considered qualified to render an opinion as an independent public accountant on behalf of a licensee whose office is located in such State or Authority. Effective December 31, 1975, only a Certified Public Accountant may be considered qualified to render an opinion as an independent public accountant on behalf of a licensee except that those licensed public accountants who have received their licenses on or before December 31, 1971, will also be considered similarly qualified.

B. *Independence.* Accountants approved by SBA as auditors of a licensee are to follow the code of professional ethics adopted by the American Institute of CPAs. In determining whether an accountant may in fact be not independent with respect to a particular licensee, SBA will give appropriate consideration to all relevant circumstances, including evidence bearing on relationships between the accountant and such licensee or any affiliate thereof.

Accordingly, an accountant or a firm of which he is a partner or shareholder shall not express an opinion on financial statements of a licensee unless he and his firm are independent with respect to such licensee. Independence will be considered to be impaired if, for example:

1. During the period of his professional engagement, or at the time of expressing his opinion he or his firm,
 - a. Had or was committed to acquire any direct or indirect financial interest in the licensee; or
 - b. Had any joint closely held business investment with the licensee or any officer, director or principal stockholder thereof which was material in relation to his or his firm's net worth; or
 - c. Had any loan to or from the licensee or any officer, director, or principal stockholder thereof.
2. During the period covered by the financial statements, during the period of the professional engagement or at the time of expressing an opinion, he or his firm,
 - a. Was connected with the licensee as a promoter, underwriter or voting trustee, a director or officer or in any capacity equivalent to that of a member of management or of an employee; or
 - b. Was a trustee of any trust or executor or administrator of any estate if such trust or estate had a direct or material indirect financial interest in the licensee; or was a

trustee for any pension or profit-sharing trust of the licensee.

C. *Selection of the auditor.* The responsibility for selecting the independent public accountant is vested in the licensee's Board of Directors. Any accountant qualifying as an independent public accountant, as explained above, may be considered as having SBA approval to perform the annual audit (financial examination) upon selection by the Board, and the filing with SBA by such accountant of an executed IPA Certification, CO Form 112 (3-74) certifying as to his qualification and independence, unless advised otherwise by SBA.

It is strongly recommended that the Board give thorough consideration each year to the matter of selecting the public accountant to perform that year's audit. The Board under this policy selects an accountant with whom it agrees as to the scope of the engagement and basis of compensation. Notification of the Board's selection will be furnished to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street, NW., Washington D.C. 20416. Notification to SBA is not necessary when the same accountant or accountants are retained for successive years.

VI. SCOPE OF AUDIT

The independent public accountant's audit is to be an examination of the licensee's financial statements in accordance with generally accepted auditing standards as expressed by the American Institute of Certified Public Accountants. The auditor is to make an examination of the licensee's financial statements with the view of expressing an opinion as to whether the financial statements present fairly the financial position, changes in financial position, and results of operations in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. The audit is not to be a "compliance audit" in the sense that the independent accountant is expressing an opinion as to whether the licensee is operating in accordance with the Act and Part 107 of SBA rules and regulations.

Management is responsible for the preparation of the Annual Report, SBA Form 468. The statements contained in Part 1 will be the basis for the auditor's opinion. It is expected that all audit adjustments will be recorded in the licensee's records before completion of the audit report so that financial statements accompanying the report will agree with the books as adjusted as of the statement date, giving consideration to reclassifications of account balances for report purposes. If the adjustments are not so recorded on the licensee's books, a statement should be made by the independent accountant to this effect.

The independent public accountant is expected to satisfy himself as to the reasonableness of the bases used by the licensee's Board of Directors in determining the valuation of loans and investments. Accordingly, the auditor should comment in his report as to reasonableness of procedures used and adequacy of documentation.

VII. LOAN AND INVESTMENT ACCOUNTS

A. *Investment objectives and policies.* The composition of a licensee's loans and investments varies from one licensee to another and reflects the licensee's policies and objectives of investing that are being followed in practice. Such objectives may emphasize equity investments, loans or a balance between loans and equity investments. The portfolio may also be widely diversified or specialized as to industry or geographical area. In addition, the licensee may choose to be a "301(d) licensee" that is organized to be

a profit or non-profit corporation with an investment policy limited to providing financing solely to small business concerns which will contribute to a well-balanced national economy by facilitating ownership in such concerns by persons whose participation in the free enterprise system is hampered because of social or economic disadvantages. Such licensees were formerly designated by the acronym "MESBIC."

The basic investment objectives adopted by management can be found in the licensee's proposal to operate, as amended.

B. Federal Income Tax provisions affecting investment accounts. Licensees which elect to qualify as Regulated Investment Companies under Subchapter M of the Internal Revenue Code (sections 851 to 855 of IRC) must meet the various requirements set forth therein which are summarized in Chapter 5 of the AICPA's Audit Guide. Also Item IX of this Guide summarizes the special income tax provisions that may apply to licensees.

C. Recordkeeping requirements relating to investment activity. No specific recordkeeping system for investment activity is required other than that provided in the SBA's System of Account Classifications. However, the licensee is to develop systems and maintain records sufficient to properly account for transactions and valuation of individual loans and investments.

Section 107.1102 of SBA rules and regulations specifies the records and documents which must be maintained and preserved by all licensees. In addition, licensees registered under the Investment Company Act of 1940 are required to maintain and preserve those records specified in section 31 of such Act and the rules and regulations thereunder.

D. Custody of securities. A licensee's management is expected to assume responsibility for the custody of securities. Accordingly, there is to be safekeeping for securities, usually a safe deposit box at a bank or other custodian with such safekeeping facilities, and dual control over withdrawal of securities from safekeeping is required (§ 107.1103 (b) of the SBA regulations).

E. Valuation of securities. The general practice in the investment company industry is to disclose, in one form or another, valuation of securities at quoted market values or, in the absence of quoted values, at fair values determined by the company's Board of Directors in good faith.

Ordinarily, little difficulty should be experienced in valuing securities traded on a recognized securities exchange since the prices of transactions are published daily. If a security was traded on the valuation date, the last quoted sales price generally is used. However, if there were no sales on the exchange on the valuation date but published closing bid and asked prices are available, the valuation should be within the range of these quoted prices. Where quotations appear questionable, consideration should be given to valuing the securities at fair value as determined in good faith by the board of directors.

Quotations are available from various sources for most unlisted securities traded regularly in the over-the-counter market. Ordinarily, quotations for an over-the-counter security should be obtained from more than one broker/dealer unless available from an established market-maker for that security. Quotations for several days should be used and the valuation should be within the range of these quotations.

The Board of Directors when valuing securities must consider the effect of factors having a bearing on the values of such securities even when they are traded on a recognized exchange where market quotations are available. Examples of such factors are a thin

market, large holdings by the licensee that would adversely affect the market price if traded, or securities that are restricted.

Regarding securities that are not publicly traded, it is incumbent upon the Board of Directors to satisfy themselves that all appropriate factors relevant to the value of securities for which market quotations are not readily available have been considered and to determine the method of arriving at the fair value of each such security. To the extent considered necessary, the Board may appoint persons to assist it in the determination of such value. However, the Board must review continuously the appropriateness of the method used in valuing each loan and investment in the licensee's portfolio.

It should be noted that the investments of licensees usually are venture-type investments that complicate the determination of value. The investee, in such cases, is usually a closely held, immature Small Business Concern whose stock is not publicly traded.

In addition, there may be weaknesses in the Concern's management. For these and other reasons, cost may be the most appropriate measure of value of venture-type securities until sufficient evidential matter is available to the licensee's Board of Directors to form a basis for valuing the securities at other than cost.

As stated in Accounting Series Release No. 118 of SEC, no single standard for determining fair value in good faith can be laid down, since fair value depends upon the circumstances of each individual case. SBA has set forth guidelines in SBA Policy and Procedural Release No. 2006 to assist the directors of licensees in valuing their securities. The auditor should satisfy himself that the valuation guidelines issued by SBA, or other reasonable methods, are used in valuing securities.

Additional guidance for the valuation of securities is given in Chapter 3 of the AICPA Audit Guide and in Accounting Series Releases 113 and 118 issued by the SEC.

F. Audit procedures. The auditing procedures relating to the investment accounts of investment companies require greater attention than those of a commercial enterprise because of the relative significance of such assets. In either case, the independent auditor should evaluate the internal accounting controls as a basis for determining the extent of his examination. The auditing procedures outlined in the AICPA's Audit Guide should be followed to the extent appropriate. Concerning valuation of securities:

THE LICENSEE'S BOARD OF DIRECTORS HAS THE SOLE RESPONSIBILITY FOR VALUING SECURITIES IN GOOD FAITH

The auditor is not to be an appraiser in the sense that he is to determine the value of the licensee's securities. He is, however, expected to review the methods and evidential matter used by the Board of Directors in their determinations of fair value. He is further expected to comment in his report on the reasonableness of such practices and adequacy of such information.

VIII. CAPITAL ACCOUNTS

A. 3 percent cumulative preferred stock. As part of the leverage funds provided to a 301 (d) licensee, SBA may purchase 3 percent cumulative preferred stock from the licensee. Such preferred stock, while considered to be part of equity, is not considered paid-in capital or paid-in surplus for leverage or regulatory purposes.

The rights of the preferred stockholder (SBA) are set forth in § 107.205(a) (2) of the SBA regulations.

B. Unrealized Gain (Loss) on Securities Held. Unrealized Gain (Loss) on Securities Held represents the estimated net gain (loss)

after tax effect that the licensee would realize if the loans and investments were sold at the statement date, but as if in the normal course of business.

This item represents the aggregate of three capital accounts as follows:

1. Unrealized Appreciation on Securities Held.—This is the amount by which fair value of the licensee's loans and investments exceeds cost.

2. Unrealized Depreciation on Securities Held.—This is the amount by which fair value of the licensee's loans and investments is less than cost. Included in unrealized depreciation are items such as allowances for losses, temporary market declines, and money mortgage discounts.

3. Estimated Income Taxes.—This is a provision for taxes on the net amount of unrealized appreciation or (depreciation) and the offset being a deferred credit or deferred charge.

The auditor should recognize that Unrealized Gain (Loss) on Securities Held results from valuation of Loans and Investments by the licensee's Board of Directors. Such valuation usually is a judgmental estimate which involves uncertainties that are difficult to quantify. Accordingly, the reliability of the unrealized gain (loss) on securities held will not be as great as realized gain (loss) on sale of securities because the latter is based on transactions that are objectively measurable.

C. Undistributed Realized Earnings. Undistributed Realized Earnings is the cumulative balance of periodic net investment income including realized gain (loss) on securities sold, less dividend distributions whether cash, stock or dividends in kind. Included are non-cash gains on securities sold, i.e. notes, securities or other assets received. Such non-cash gains will not be available for capitalization or dividends until such assets are converted to cash. Accordingly, undistributed realized earnings will be reflected in two capital accounts: (1) Non-Cash Gains on Sale of Securities and (2) Undistributed Net Realized Earnings.

Finally, non-cash gains will not be realized if uncertainty as to the ultimate realization of the gain in cash is so great that business prudence, as well as generally accepted accounting principles, would preclude such recognition.

IX. OTHER MATTERS

The independent auditor should satisfy himself that investment company accounts not specifically mentioned in this audit guide or the AICPA Audit Guide are maintained in accordance with generally accepted accounting principles and audited in accordance with generally accepted auditing standards for other commercial enterprises.

A. Compensating balances. If those instances where idle funds are encumbered or are being used as "compensating balances," the nature and extent of such encumbrance will be disclosed in a note to the financial statements.

If the compensating balance is a formal arrangement, the funds should be reclassified to either other current assets or other assets, whichever would be appropriate.

B. Taxes. Licensees receive special tax treatment in a number of areas. The effect is to allow certain exclusions or additional deductions without the limitations prescribed for other corporations.

A licensee operating under the 1958 Act is allowed a 100 percent dividends received deduction for dividends received by it from a taxable domestic corporation. To claim this 100 percent deduction the licensee must file with its return a statement that it was a Federal licensee under the 1958 Act at the time of the receipt of the dividends.

An ordinary loss, rather than a capital loss, can be taken on the sale or exchange of security investments in convertible debentures or stocks acquired pursuant to the conversion privileges of such debentures. Capital losses on other investments receive no special treatment. A licensee must submit with its tax return a statement that it is a Federal licensee under the 1958 Act setting forth the name and address of the small business concern with respect to whose securities the loss was sustained, the number of shares of stock or the number or denomination of bonds, the basis and selling price, and the respective dates of purchase and sale or the reason for their worthlessness and the approximate date thereof.

Special provisions are provided for reserve for losses on loans of licensees and they may obtain special treatment for net operating losses and may be excluded from the definition of a personal holding company.

A shareholder in a licensee may treat a loss on such stock as an ordinary loss and in the case of a noncorporate shareholder such loss is considered a loss from a trade or business.

A licensee may choose to be taxed as a Regulated Investment Company. To do so, it must meet the requirements of sections 851 to 855 of Internal Revenue Code. Such requirements are outlined in Chapter 5 of the AICPA Audit Guide.

For taxable years beginning after December 31, 1975, net operating losses may be carried back 10 taxable years and forward 5 taxable years following the taxable year of such loss.

Finally, there is no excess accumulated earnings tax assessed to a licensee provided it utilizes such earnings and profits for additional loans and investments.

C. Reserve for guarantees. Funded reserve for guarantees as described in § 107.501(f) of the SBA rules and regulations indicates that "funded reserve" equal to 10 percent of all guarantees will be maintained by the licensee.

The auditor should recognize that SBA does not intend that assets be segregated and a funded reserve be maintained. Rather, the licensee is considered to be in compliance with § 107.501(f) of the regulations if the licensee's total cash and invested idle funds equal 10 percent of guarantees outstanding.

D. Notes and debentures payable to or guaranteed by SBA. As outlined in Item IIA, a primary advantage of the SBIC program is the ability of licensees to acquire long-term leverage funds from SBA. Usually the terms and conditions set forth in § 107.203(b) of SBA rules and regulations are incorporated in the debenture as covenants to the agreement.

Section 107.203(b)(1)(iii) provides that the entire indebtedness of the licensee may be declared immediately due and payable for:

"... Failure of the licensee, as determined by SBA, to comply with any one or more of the provisions of the Act or Regulations promulgated thereunder, as they may be amended from time to time ...".

Demand in such cases will be made in a letter from SBA specifying the violations that have occurred and that funds owed the SBA are due and payable in accordance with the acceleration provisions of the debentures. The violations which cause demand to be made are usually those which are significant and include such areas as conflicts of interest, control of small business concerns by the licensee, overline investments and any other such major acts which might be determined by SBA to be contrary to the Act and regulations. It should be noted that in such cases demand is viewed as a means to protect the

SBA's position as a creditor usually after other efforts have been unsuccessful.

In those instances where the licensee fails to maintain either the capital requirement or the investment ratio (See section 303(b)(2) of the Act or §§ 107.203(b)(6) and 107.203(d) of the regulations) SBA may, in its discretion, upon written notice consider part or all of the licensee's long-term debt to be due and payable. Written notice is not required, however, for the long-term debt to be considered due and payable when any of the four conditions set forth in § 107.203(b)(2) exist.

Should the auditor have difficulty in determining whether demand has been or is about to be made on such long-term indebtedness, he may consider requesting a positive confirmation from the Deputy Associate Administrator for Investment, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416, as to whether the licensee is in violation of the Act or regulations as of the statement date and as a result whether demand is being made by SBA on the long-term debt.

X. FIDELITY BOND

A. Need for Bond. The Fidelity Bond requirements are set forth herein principally for the guidance of the licensee in meeting its obligation to conform to such requirements.

Each licensee shall obtain and maintain a Fidelity Bond, which must be executed by a Surety holding a certificate of authority from the Secretary of the Treasury pursuant to section 6-13 of Title 6 of the United States Code as an acceptable Surety on Federal Bonds. Each officer and employee who has control over or access to cash, securities, or other property of the licensee shall be covered by such Fidelity Bond. The form of Bond must meet the provisions of paragraphs B through D below.

B. Type of Bond. The Fidelity Bond may be issued on a "Discovery" or "Loss-Sustained" basis. Each Bond shall contain minimum coverage equivalent to Insuring agreements (A) Fidelity, (B) On Premises, and (C) In Transit provided in Finance Companies Blank Bond Standard Form 15 and 14. Equivalent insurance coverage, as previously stated, constitutes satisfactory coverage. Insuring Agreements covering (D) Forgery or Alteration, (E) Securities, and (F) Counterfeit Currency, Misplacement Coverage, and Electronic Data Processing Coverage are not required. The Bond shall also contain a rider or endorsement providing that the Surety will notify the SBA Investment Division of its intent to cancel the Fidelity Bond at least 30 days in advance of the effective date of cancellation. At the option of the licensee a loss deductible clause not to exceed \$1,000 will be permissible under all of the insuring agreements.

A Licensee, including a bank-owned or controlled licensee, may be covered as a joint insured under a Fidelity Bond if the coverage meets the above requirements.

C. Minimum coverage. The minimum amount of fidelity bond for each licensee acceptable to SBA shall be \$25,000.

D. Cancellation and claims by the licensee. Each licensee, at least 30 days prior to making any request to the Surety to terminate or cancel such bonds, shall notify SBA in writing of its intent to terminate or cancel the bond. Each licensee shall notify SBA immediately in writing of any claim for loss filed under the bond with the Surety. Such notifications to SBA shall be by certified mail addressed to the Deputy Associate Administrator for Investment, Investment Division, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416.

E. Licensees regulated under the Investment Company Act of 1940. Licensees that are regulated by SEC under the Investment Company Act of 1940 shall also comply with the Fidelity Bond requirements set forth in § 270.17g-1 of the SEC rules and regulations. Therefore, SBICs that are regulated by SEC under the 1940 Act are to comply with such requirements.

XI. FINANCIAL STATEMENTS

The financial statements of Licensees are directed to the presentation of financial position, changes in financial position and results of operations. Such statements constitute the Financial Report, Part I of SBA Form 468, and are required to be presented in the prescribed format.

The financial statements required for Licensees differ in certain respects from those suggested in the AICPA's Audit Guide. Such deviations are not at variance with generally accepted accounting principles and reporting practices. The opening paragraphs of Chapter 7 of the AICPA's Guide support this view:

"The financial statements illustrated in this chapter are for typical open-end management investment companies and may need to be modified to fit the requirements of other types of investment companies."

"In all instances, the management of investment companies and the auditor should be cognizant of the need for reporting in a manner which properly highlights significant information for shareholders and other interested parties. Content and format of reports required by regulatory authorities, e.g., the Securities and Exchange Commission and Small Business Administration, are, of course, governed by the requirements of the applicable form and related rules, regulations, and instructions."

It should be noted that Appendix B provides detailed instructions for the preparation of the Annual Report, SBA Form 468. The following is a brief description of the financial statements, supplementary schedules and, when applicable, standard footnotes.

A. Statement of Financial Position. The Statement of Financial Position is presented in a conventional Balance Sheet format rather than the Statement of Assets and Liabilities or the alternate Statement of Net Assets as suggested by the AICPA's Audit Guide for most investment companies. Because of the relative importance of loans and investments, they are shown as the first category of assets presented in the Statement.

As previously stated, Licensees are to report loans and investments on the fair value basis. Accordingly, the Statement will present loans and investments at cost and, through adjustments for unrealized appreciation (valuation above cost) and unrealized depreciation (valuation below cost) arrive at fair value. The net Unrealized Gain (Loss) will be reported separate from undistributed Earnings Realized in the equity section of the Statement of Financial position.

B. Computation of Retained Earnings for regulatory purposes. The note following the Statement of Financial position is for SBA purposes and is designed to compute Retained Earnings available for dividend distribution or capitalization. Undistributed net earnings realized is the amount of realized earnings retained by the licensee net of non-cash gains on sale of Securities and without effect of valuation.

"Retained Earnings" will be determined by reducing Undistributed net earnings realized by the allowance for losses established by the licensee on loan and investments.

There should be identified either in footnote form or a supporting schedule, allowance for losses according to line 1 through 9 of the Statement of Financial Position.

C. Statement of Undistributed Realized Earnings. This Statement reflects the increases and decreases in noncash gains and net Undistributed Realized Earnings. The net change when added to the balance at the beginning of the period results in the balance at the end of the period. Item VIII, C further explains the nature of Undistributed Realized Earnings.

D. Statement of Operations Realized. The Statement of Operations Realized is designed to present the results of realized investment activities of the licensee by reporting separately investment income or loss including management consulting activities, and realized gains or losses from sale of securities. This statement does not measure the change in Unrealized gain (loss) on securities held as does the Statement of Operations suggested by the AICPA Audit Guide. Rather, such unrealized gain (loss) will be measured in a separate statement.

While Investment Income and Realized Gain (Loss) on Sale of Securities are measured separately within the Statement of Operations Realized, they are reflected in the Statement of Undistributed Realized Earnings. It should be noted that Unrealized Gain (Loss) on Securities Held is reflected directly in the equity section of the Statement of Financial Position and is not reflected in the Statement of Undistributed Earnings Realized.

E. Statement of Unrealized Gain (Loss) on Securities Held. The Statement of Unrealized Gain (Loss) on Securities Held summarizes the results of the valuation process of securities held as of the statement date as compared to the previous statement date and discloses the net change in the Unrealized Gain (Loss) on Securities Held.

Measurement of unrealized gain (loss) on such securities is a difficult process as has been previously explained. Changes in unrealized gain (loss) on securities held are measured in a statement separate from the Statement of Operations primarily because such amounts result from a judgmental estimate made by the licensee's management rather than from accomplished transactions which are objectively verifiable.

Securities held are classified by the primary groupings of loans and investments as set forth in Items 1 through 12 of the statement of financial position and are as follows:

- a. Portfolio securities.
- b. Assets acquired in liquidation of portfolio securities.
- c. Operating concerns acquired, and
- d. Other securities.

In arriving at net unrealized gain (loss) on securities held, consideration must be given to unrealized appreciation (valuation above cost) and unrealized depreciation (valuation below cost) of such securities. The tax effect on net unrealized appreciation (depreciation) will be determined.

F. Statement of Change in Financial Position. The Statement of Change in Financial Position is to be inclusive of all changes in financial position resulting from transactions. However, the statement does not include changes in unrealized gains (loss) on securities held which are based on subjective determinations by the Board of Directors and not based on transactions. The objectives of this statement are (1) to summarize the financing and investing activities of the licensee, including the extent to which the licensee has generated cash and invested idle funds, and (2) to complete the disclosure of changes in financial position during the period.

Accounting Principles Board Opinion No. 19, *Reporting Changes in Financial Position*, effective for fiscal years after September 30,

1971, contain the principles expressed by the AICPA on the Statement of Changes in Financial Position.

G. Statement of Realized Gain (Loss) on Sale of Securities. The Statement of Realized Gain (Loss) on Sale of Securities is a summary by category of securities sold and the resulting gain or loss on such sales. Also, it summarizes the increases in non-cash gains on securities sold during the period.

This Statement will be included only if securities are sold during the current year. It is an additional statement and supports the Statement of Operations Realized.

Gain or loss on sale of securities is realized at the point of sale whether or not realized in cash. When part of the net sales price is not in cash, gain is to be realized at the time of sale unless the sale is not a final transaction or unless collection of the proceeds is not reasonably assured. However, such non-cash gains will not be available for capitalization or dividend distribution until collected.

H. Statement of Commitments and Guarantees. When the licensee has commitments outstanding to provide financing or has guaranteed financing provided by others, a Statement of Commitments and Guarantees will be included as a supporting statement. The Statement will show outstanding commitments and guarantees to Small Business Concerns at the statement date.

I. Schedule of Loans and Investments. This Schedule will show loans and investments outstanding at the Statement date by Small Business Concerns grouped into the following categories: (1) "Portfolio securities" segregated by publicly held SBCs and privately held SBCs; and (2) "assets acquired in liquidation of portfolio securities," (3) "operating concerns acquired" and (4) "other securities."

The Schedule will contain the name of the Small Business Concern, brief description of the securities, cost basis, valuation by Board of Directors and potential equity interest in the concern. Where there is a material difference between cost and value as determined by the Board, full disclosure may necessitate the nature and extent of the difference to be explained in a footnote. On publicly traded securities, the exchange on which the security is traded should be disclosed by symbol and legend.

J. Notes to Financial Statements. Included in the Notes to the Financial Statements will be information considered necessary to achieve full disclosure. Examples are loans to officers, directors or employees, and changes in paid-in capital and surplus. In addition, the following information should be provided:

1. **Significant Accounting Policies.** Explanatory information should be set forth identifying the Accounting Policies that have a material bearing on the licensee's operations; i.e., income tax allocation, assets acquired in liquidation and other accounting policies.

2. **Other Current Assets.** List the material items included in Other Current Assets.

3. **Other Assets.** List the material items that comprise the Other Assets.

4. **Long-Term Debt.** Disclose the items that comprise Long-Term Debt and give the repayment terms of each. When the licensee has obtained the "third dollar" disclose the % of Loans and Investments qualifying as venture capital at the statement date (§ 107.202 of SBA rules and regulations).

5. **Current maturities of Long-Term Debt.** List the amounts due on Long-Term Debt within one year from the Statement date.

6. **Other Current Liabilities.** List the material items that comprise Other Current Liabilities.

7. **Other Liabilities.** List the material items that comprise Other Liabilities.

8. **Contingent Liabilities.** Identify Contingent Liabilities of the licensee that may exist.

9. **Unrealized Depreciation.** Unrealized depreciation is usually the same amount as specific allowance for losses or loans and investments. However, there may be instances where unrealized depreciation will not be an allowance for losses. For example, where a licensee has unrestricted marketable securities, value is based on market value rather than fair value as determined by the Board. There may be a temporary decline in the market value of such securities below the licensee's cost basis. Although such decline is reflected in unrealized depreciation, the licensee may not expect to sell the depreciated price; therefore, no loss would be expected.

When unrealized depreciation is not the same as allowance for losses, there should be disclosure either in note form or in a supplementary schedule the composition of unrealized depreciation according to lines 1 through 9 of the Statement of Financial Position.

10. **Regulatory Capital.** As a general rule, capital for regulatory purposes is the total paid-in capital stock and surplus as shown on line 44 of the Statement of Financial Position. However, exceptions to this general rule will occur when events result in an amount being shown on line 44 that differs from regulatory capital as used in the context of §§ 107.201, 107.301 and 107.813 of the SBA regulations. An example is when line 44 includes amounts resulting from non-monetary transactions other than stock dividends and the assets received in such transactions have not been converted to cash. Another example occurs when an SBIC invests in a 301(d) licensee. In such cases, regulatory capital will be reduced by the investment made in the 301(d) licensee.

XII. INDEPENDENT ACCOUNTANT'S REPORT

A. Report format. The Independent Accountant's Report will be a "Short-Form Report" as set forth in Section 500 of the Statement on Auditing Standards issued by the American Institute of Certified Public Accountants (see Illustration). The financial statements that constitute Part I of the Annual Report, SBA Form 468, will accompany the auditor's report as well as footnotes necessary to achieve full disclosure. The Accountant's Report shall be dated, signed, and will indicate city and state where issued.

B. Accountant's opinion. The accountant's examination should be directed toward the expression of an opinion as to whether the statement contained in the Financial Report, Part I, SBA Form 468 present fairly the financial position of the licensee as of the examination date and the results of its operations and changes in financial position for the period then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Results of operations of a licensee as expressed in the auditor's opinion of necessity must include both realized activities reported in the Statement of Operations Realized and changes in unrealized activities as reported in the Statement of Unrealized Gain (Loss) on Securities Held. The purpose for the two statements as previously explained, is to measure separately realized activities and unrealized activities. Another purpose for the two statements is that the unrealized activities result from good faith valuations of loans and investments by the licensee's Board of Directors rather than completed transactions which is the basis for realized activities.

The accountant should, when possible, render an unqualified opinion, or an opinion whose qualification is related to the valuation of securities determined by the Board of Directors. Such a qualification is a usual opinion for an SBC with restricted securities.

When the accountant finds it necessary to otherwise qualify or to disclaim an opinion, then he should cite, when applicable, the specific loans, investments, or other items causing such qualification or disclaimer and the reason for such qualification or disclaimer.

The accountant is not required to extend his opinion to include the information contained in Part II of the Annual Report. He should, however, satisfy himself that the information reported thereon is consistent with the statements upon which he is expressing an opinion.

It should be noted that in the year of conversion to value accounting there will be a change in accounting principles which should be reported in accordance with paragraph 546.03 of the Statement on Auditing Standards No. 1.

C. Accountant's report illustrated. The following sample independent accountant's Short-Form Report is intended to illustrate pertinent matters discussed in this Guide including matters that involve valuation of securities. It is not all inclusive, nor is it intended to cover all of the different situations that may arise in practice.

POTTER & POTTER

Certified Public Accountants
1260 MARINE PLAZA, S.E.,
Washington, D.C. 20016.

To the Stockholders and Board of Directors,
General Capital Company:

We have examined the statement of financial position of General Capital Company including the schedule of loans and investments as of December 31, 19X3 and the related statements of operations realized, unrealized gain (loss) on securities held, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The Company's investment securities were inspected by us or confirmed to us by the custodian.

As discussed more fully in Note 2 to the financial statements, securities amounting to \$5,432,242 (54% of the total assets) have been valued at fair value as determined by the Board of Directors. We have reviewed the procedures applied by the directors in valuing such securities and have inspected underlying documentation; while in the circumstances the procedures appear to be reasonable and the documentation appropriate, determination of fair value involves subjective judgment which is not susceptible to substantiation by auditing procedures.

In our opinion, subject to the possible effect on the financial statements of the valuation of securities determined by the Board of Directors as described in the preceding paragraph, the aforementioned financial statements present fairly the financial position of General Capital Company at December 31, 19X3, the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

POTTER & POTTER.

MARCH 23, 19X4.

D. Reporting effect of changes in accounting practices. During the year that changes in accounting principles are effected, prior

year's financial information in some cases will of necessity be restated. In other cases, however, the effect of such changes will be reflected as income of the reporting period.

For example in determining the beginning balance of undistributed realized earnings on the value accounting basis, allowances for losses on loans and investments will be restored to retained earnings. Changing the point in time that income on securities transactions is realized, however, requires the realization in the reporting period income that has been previously deferred with appropriate footnote disclosure.

The effect of accounting changes should be accounted for and reported in accordance with the provisions of Accounting Principles Board Opinion No. 20 as expressed by the AICPA. It should be noted that in restating prior years information, only the previous year's data needs to be restated since only the current year's data is reported.

XIII. THE ACCOUNTANT'S WORK PAPERS

As a normal practice, the SBA Examiners review the accountant's work papers in determining the scope of the SBA compliance examination. Therefore, the agreement between the licensee and the accountant whereby the accountant is engaged to perform the audit (financial examination) should provide that the accountant's work papers will be made available for review upon request from the SBA.

XIV. GLOSSARY

Certain terms are defined below to assist the reader of the Guide. Other terms are defined in § 107.3 of the SBA rules and regulations or in the glossary to the AICPA Audit Guide.

Assets acquired in liquidation of portfolio securities. Are those securities or assets acquired by the licensee through foreclosure or other action taken to protect its investment.

Current maturities. Are the amounts reasonably expected to be collected (if assets) or paid (if liabilities) during the following year.

Cost of securities. The amount paid for securities including closing cost but net of unearned discounts, fees, etc.

Distribution. Any payment to stockholders of cash, property or shares, including any form of dividend.

Equity interest of SBC. Is a primary grouping of portfolio securities and includes (a) stock of SBC, (b) warrants, options or other stock rights and (c) equity interest of unincorporated concerns.

Equity method of accounting. A method of accounting for investments in common stock whereby the investment account is increased (or decreased) to reflect the investor's proportionate share of an investee's current earnings (or losses) regardless of whether earnings are paid out as dividends. Dividends, when paid, are a reduction of the carrying value of the investment.

Fair value. Value determined by the licensee's Board of Directors for securities where no market quotations are readily available or where the securities contain restrictions.

Interest subsidy. A term used in section 317 of the Small Business Investment Act to describe the 3 percent deferral of interest on 301(d) licensee leverage funds.

Loans and investments. Are the securities held by the licensee for investment (excluding invested idle funds) and includes portfolio securities, assets acquired in liquidation of portfolio securities and other securities.

Net investment income. Income from interest and dividends on the licensee's loans and investments, and all other realized income except realized gain (loss) from security transactions, less operating expenses.

Net sales price. Sale price of securities less cost of selling such securities; i.e., commission, transfer tax, etc.

Non-monetary receipts. Proceeds from a securities transaction that are other than cash.

Non-cash gain on securities sold. The amount of gain on the sale of securities realized in assets other than cash.

Non-monetary transactions. Includes either reciprocal or nonreciprocal transactions not involving cash.

Other securities. Are securities held by the licensee that are not classified as portfolio securities or assets acquired.

Portfolio securities. Are securities resulting from financings made to small business concerns and include loans, debt securities and equity interests.

Securities. Include loans and Investments as well as invested idle funds.

Undistributed realized earnings. The cumulative balance of periodic net investment income including realized gain (loss) on securities sold net of dividend distribution.

Undistributed net realized earnings. The amount of undistributed realized earnings net of non-cash gains on securities sold.

Unrealized appreciation. The amount by which the value of loans and investments exceeds cost.

Unrealized depreciation. The amount by which the value of loans and investments are less than cost.

Unrealized gain (loss) on securities held. The gain (loss) on securities held that would have been realized after taxes had such securities been sold in the normal course of business.

7. Appendix B—Guide for Preparation of the Annual Report. SBA Form 468 is added and reads as follows:

APPENDIX B—GUIDE FOR PREPARATION OF THE ANNUAL REPORT

- I. Introduction.
 - A. Statement of policy.
 - B. Purpose.
 - C. Organization of the Annual Report.
 - D. Reporting requirements.
 - E. Accounting and reporting policies.
 - F. Related guidelines.
- II. Financial Report.
 - A. General.
 - B. Financial Report heading.
 - C. Statement of Financial Position.
 - D. Statement of Undistributed Realized Earnings.
 - E. Statement of Operations Realized.
 - F. Statement of Unrealized Gain (Loss) on Securities Held.
 - G. Statement of Change in Financial Position.
 - H. Statement of Realized Gain (Loss) on Sale of Securities.
 - I. Statement of Commitments and Guarantees.
 - J. Schedule of Loans and Investments.
- III. Management Report.
 - A. General.
 - B. Size and classification.
 - C. Overview of licensee's operations.
 - D. Analysis of Unrealized Gain (Loss) on Securities Held—Schedule A.
 - E. Summary of portfolio—Schedule B.
 1. Schedule 1—Loans.
 2. Schedule 2—Debt securities.
 3. Schedule 3—Capital stock of SBC's.
 4. Schedule 4—Equity interests of unincorporated SBCs.
 5. Schedule 5—Warrants, options, and other stock rights acquired from SBCs.
 6. Schedule 6—Details of certain portfolio securities listed in Schedules 1 through 5.
 7. Schedule 7—Participations and joint financings.
 - F. Schedule 8—Receivables from debtors on sale of assets acquired in liquidation of portfolio securities.

G. Schedule 9—Assets acquired in liquidation of portfolio securities.

H. Schedule 10—Operating concerns acquired. Schedule 10a—Analysis by operating concern acquired.

I. Schedule 11—Other securities.

J. Schedule 12—Cash and invested idle funds.

K. Schedule 13—Average cash and invested idle funds balances on a monthly basis.

L. Schedule 14—Long-term debt.

M. Schedule 15—Capital stock of licensee.

N. Schedule 16—Options on licensee's capital stock.

O. Schedule 17—Shareholders, officers, and Directors of the licensee.

P. Schedule 18—Actual loss experience on receivables, loans and investments.

Q. Management certification.

I. INTRODUCTION

A. *Statement of policy.* Small Business Investment Companies (SBICs) licensed by the Small Business Administration (SBA) including 301(d) licensees are to submit to SBA annual reports and interim reports when required on their operations. Such reports are to be rendered on SBA Form 468 and are to be prepared in accordance with the instructions set forth in this guide.

This Guide was prepared by SBA. Any inquiries or comments relating to these instructions or the Annual Report, SBA Form 468, should be directed to the Staff Accountant, Investment Division, 1441 L Street NW., Washington, D.C. 20416.

B. *Purpose.* This Guide provides instruction for the preparation of the Annual Report, SBA Form 468. The report and related instructions have been prescribed to provide standard reporting requirements and to insure that uniform and comparable data is rendered to SBA by all licensees in a timely manner.

C. *Organization of the Annual Report.* The Annual Report, SBA Form 468, is comprised of two parts: Financial Report (Part I) and Management Report (Part II).

The Financial Report will include the licensee's financial statements and will be the basis for the auditor's opinion. Such statements will present the licensee's financial position, results of operations, and change in financial position. Also included will be a schedule of loans and investments as well as supplementary data in schedule or note form.

The Management Report is designed to provide analytical data on the licensee's operations. Accordingly, the auditor's opinion is not expected to be extended to the management report. This report will include:

1. A summary of the licensee's status and operations.
2. An analysis of Unrealized Gain (Loss) on Securities Held.
3. Analytical and detailed information on the licensee's loans and investments.
4. Other selected information.

D. *Reporting requirements.*—1. *Annual Report (SBA Form 468).* Three copies of the Annual Report, SBA Form 468, shall be submitted to SBA by the licensee as soon as practicable after completion and no later than the last day of the third month following the close of the licensee's fiscal year.

The Financial Report shall be prepared in the prescribed format and shall accompany the accountant's report. Attached to the inside of the back cover of each copy of the audit report should be a copy of any transmittal letter, special reports, or similar communications furnished to the licensee by the auditor. If adjusting entries are furnished to the licensee with the report, they should be submitted to SBA.

The Management Report will be submitted with the Financial Report and will contain a certification that will cover both parts I and II.

2. *Interim reports.* Upon request, licensees will submit to SBA either the complete SBA Form 468 or a part thereof; i.e., the Financial Report or the Management Report. Such reports are considered interim in that they cover less than a full year of operations and the financial report is not audited by the licensee's independent accountant. Accordingly, such interim reports are in addition to, not in lieu of, the annual report.

3. *Regulated investment companies.* Concerning licensees that are registered with the Securities and Exchange Commission (SEC) additional reports are required by SEC which are identified in Chapter 1 of the AICPA's Audit Guide. It should be noted that any report submitted by a licensee to the SEC shall also be submitted to SBA.

4. *Where to submit reports.* All reports rendered to SBA are to be submitted to the Investment Division, 1441 L Street, NW., Washington, D.C. 20416.

E. *Accounting & reporting policies.* The Systems of Accounting Classification for SBICs (Appendix C, Item II) contains considerable discussion on accounting and reporting policies to be followed by licensees. Accordingly, the preparer of the annual report should be familiar with these policies.

A primary objective to be kept in mind is that the information reported should be disclosed in a manner that will cause the data to be understandable and useful to the reader and at the same time achieve a fair presentation; i.e., full disclosure. Should events or transactions occur that do not appear to fit in the report as designed, the licensee should expand or alter the report to achieve the above objective.

It is recognized that the licensee may desire to report to shareholder or others in a format that differs from the Financial Report prescribed by SBA for licensees. Such differences should be limited to classification or format presentation and should not result in substantive differences. A copy of such reports should also be furnished to SBA.

F. *Related guidelines.* In addition to this Guide (Appendix B), the preparer of the annual report should be familiar with related accounting instructions and guidelines. Such guidelines are set forth in the Audit Guide for SBICs (Appendix A) and the System of Account Classification for SBICs (Appendix C).

Guidelines for valuing securities can be found in SBA Policy and Procedural Release No. 2006. Additional guidance for valuing securities can be found in Accounting Series Releases Nos. 113 and 118 that are issued by the Securities and Exchange Commission. Finally, Chapter 3 of the AICPA's Audit Guide for Investment Companies contains information on valuation of securities that may be useful.

II. FINANCIAL REPORT

A. *General.* The Financial Report (Part I, SBA Form 468), is designed to present the licensee's financial statements as audited by the independent public accountant. Accordingly, the statements are based on the transactions recorded in the accounts.

The Financial Report contains standard statements and schedules. Therefore, when a particular statement or schedule does not apply to the licensee's operations, it should be omitted. For example, if the licensee did not sell securities during the period, the Statement of Realized Gain (Loss) on Sale of Securities would be omitted. The Financial Report, therefore, should be "tailored" to fit the licensee's given situation.

Such tailoring, however, does not include deviating from accounting and reporting practices prescribed in the Audit Guide (Appendix A) or System of Account Classification (Appendix C).

The following is a detailed discussion as to how the statements are prepared.

B. *Financial report heading.* Set forth in the appropriate spaces the information called for representing the identification and the principal office address of the licensee. As to the employer identification number, enter the number assigned to the licensee by the U.S. Treasury Department. If such number has not yet been assigned, an Application for Employer Identification Number, Form SS-4, shall be submitted to the U.S. Director of Internal Revenue for the area in which the licensee's principal office is located.

The preparer of this report should keep in mind that amounts are to be rounded to the nearest dollar.

C. *Statement of Financial Position.* This statement is designed to measure the licensee's financial position as of the statement date in a conventional balance sheet format. Because of their significance, loans and investments are presented before current or other assets. Likewise, long-term debt is shown before current or other liabilities.

1. *Assets*—are grouped according to Loans and Investments, Investment in 301(d) Licensee, Current Assets and Other Assets.

a. *Loans and investments* are grouped into four categories:

(1) *Portfolio securities*—are those securities of small business concerns obtained through providing financing.

(2) *Assets acquired in liquidation of portfolio securities*—are those securities or other assets the licensee has acquired by taking action to protect its investment. Such assets are grouped according to receivables from debtors, and other assets acquired.

(3) *Operating concerns acquired*—represents the total investment in portfolio concerns where action was necessary to protect the licensee's investment. This will include only operating concerns over which the licensee has acquired control or has the power to control either individually or in concert with other licensees.

(4) *Other securities*—are those securities the licensee holds that did not result from providing financing to small business concerns. Other securities will result when portfolio securities or assets acquired are sold and part of the net sales price is notes, or other securities. Also, dividends in kind from portfolio concerns would be classified as other securities.

Loans and investments are shown at cost and through adjustments for unrealized appreciation and unrealized depreciation arrive at their value.

b. *Investment in 301(d) Licensee*—is a unique investment in that the nature and purpose of the investee is similar to that of the investors. Also, the investor actively participates in the management of the investee. For these and other reasons, investments in 301(d) licensees are not classified as Loans and Investments but are shown as a separate asset group on the Statement of Financial Position. Such investments will be carried on the equity method of accounting.

c. *Current assets*—are those assets that are cash, expected to be converted to cash or are expected to be expensed in the next operating business cycle; i.e., one year from the statement date. While current assets are not grouped as such for other investment companies, regulatory purposes require such a grouping for SBICs.

d. *Other assets*—are those assets that are not otherwise explained above. Included are

furniture and equipment, deferred charges, funds in escrow and other items.

2. Liabilities—are classified according to long-term debt, current liabilities and other liabilities.

a. **Long-term debt**—includes debt of the licensee net of current maturities. Such debt is grouped according to that which is payable to or guaranteed by SBA and that which is payable to others.

b. **Current liabilities**—are those liabilities requiring the payment of cash during the next business cycle; i.e., 12 months from the statement date. Included are accounts payable, accrued interest and taxes payable, current maturities on long-term debt, dividends payable and other current items.

c. **Other liabilities**—are those liabilities not otherwise classified and include trust receipts, deferred credits and other items.

3. Capital accounts—are grouped according to paid-in capital and surplus, 3 percent preferred stock sold to SBA, unrealized gain (loss) on securities held and undistributed realized earnings.

a. **Paid-in capital and surplus**—represents the licensee's capital which is the basis for leverage and other regulatory purposes. It includes the par value of capital stock issued and capital contributed in excess of par value. The total of these two items is reduced by treasury stock and the net amount usually is leverage and regulatory base.

b. **3 percent preferred stock issued to SBA**—While such preferred stock by the nature of the instrument is equity, it is not considered paid-in capital and paid-in surplus; rather it is a part of the leverage funds obtained by a 301(d) licensee from SBA.

c. **Unrealized Gain (Loss) on Securities Held**—is the net unrealized appreciation on securities held after an allowance for taxes as of the statement date. This is the amount in column 2 line 13, on the Statement of Unrealized Gain (Loss) on Securities Held.

d. **Undistributed Realized Earnings**—represents the cumulative balance of periodic net investment income and realized gain (loss) on securities sold, less dividend distributions. Undistributed realized earnings is comprised of:

(1) **Non-cash gain on sale of securities**—which represent notes, securities or other assets received as part of the net sale price when securities are sold and,

(2) **Undistributed net earnings realized**—which represents undistributed earnings realized net of non-cash gains on sale of securities.

4. Retained earnings computation—In note form at the end of the Statement of Financial Position is designed to set forth "retained earnings" on the same basis and in the same manner as it was viewed on the cost basis. Such Retained Earnings will be the basis for dividend declaration (whether cash or stock) or the basis for capitalizing earnings by corporate resolution.

"Retained Earnings" is Undistributed Net Realized Earnings reduced by allowances for losses that have been established on Loans and Investments.

5. Description by line item. The following is a description by line item as to how the amounts shown on this statement are developed.

Item 1, Loans. In column 1, show the balance of account 170 less the balance of account 173. In column 2, show the balance of account 172. In column 3, show the balance of account 171.

Item 2, Debt Securities. In column 1, show the aggregate of balances in accounts 180 and 184 less account 188. In column 2, show the balance of account 187. In column 3, show the balance of account 186.

Item 3, Equity Interests. In column 1, show the aggregate of balances in accounts 190,

191, 194 and 197. In column 2, show the aggregate of balances in accounts 193, 196, and 199. In column 3, show the aggregate of balances in accounts 192, 195, and 198.

Item 4, Total. Show the total of items 1, 2, and 3 which represents the total of portfolio securities.

Item 5, Receivables from Debtors on Sale of Assets Acquired. Show in column 1 the balance of account 200 and in column 2 the balance of account 203.

Item 6, Assets Acquired. In column 1, show the balance in account 204. In column 2, show the balance in account 206 and in column 3, show the balance of account 205.

Item 7, Total. State the aggregate of items 5 and 6 which represents the total of assets acquired in liquidation to portfolio securities.

Item 8, Operating Concerns Acquired. Show in column 1 the balance of account 210, in column 2 the balance of account 212 and in column 3 the balance of account 211.

Item 9, Notes and Other Securities Received. Show in column 1 the aggregate of balances in accounts 220 and 221. In column 2, show the balance in account 223 and in column 3 show the balance of account 222.

Item 10, Total Loans and Investments. State the aggregate of items 4, 7, 8, and 9 which represents the total of loans and investments.

Item 11, Less Current Maturities. Show the aggregate of balances in accounts 150 through 154.

Item 12, Loans and Investments Net of Current Maturities. Show the amount stated in item 10, column 4 less the amount shown in item 11.

Item 13, Investment in 301(d) Licensee. When a licensee has an investment in a 301(d) licensee, the name of the licensee number of the investee should be shown in the space provided. The balance shown in account 160 should be shown.

Item 14, Cash. Show the aggregate of accounts 100 through 120.

Item 15, Invested Idle Funds. Show the aggregate of accounts 130 through 137.

Item 16, Interest and Dividends Receivable. Show the aggregate of balances in accounts 143 and 145.

Item 17, Notes and Accounts Receivable. Show the aggregate of balances in accounts 140 and 141.

Item 18, Less: Allowance for Losses. Show the aggregate of balances in accounts 142 and 144.

Item 19, Current Maturities of Portfolio Securities. Show the balance of account 150.

Item 20, Current Maturities of Assets Acquired. Show the balance of account 152.

Item 21, Current Maturities of Operating Concerns Acquired. Show the balance of account 153.

Item 22, Current Maturities of Other Securities. Show the balance of account 154.

Item 23, Other Current Assets. Show the balance of account 156.

Item 24, (a), Furniture & Equipment. Show the balance of account 230.

Item 24, (b), Less: Accumulated Depreciation. Show the balance of account 231.

Item 25, Other. Show the aggregate of balances in accounts 230, 231, 250, 251, 252, 265 through 269.

Item 26, Total Assets. Show the aggregate of items 12, 13 and 14 through 25.

Item 27, Notes and Debentures Payable to or Guaranteed by SBA. Show the aggregate of balances in accounts 300, 301 and 310.

Item 28, Notes and Debentures Payable to Others. Show the aggregate of balances in accounts 311, 312, 313 and 320.

Item 29, Total. Show the aggregate of items 27 and 28.

Item 30, Accounts Payable. Show the balance of account 340.

Item 31, Accrued Interest Payable. Show the balance of account 350.

Item 32, Accrued Taxes Payable. Show the aggregate of balances in accounts 351 and 354.

Item 33(a), Current Maturities of Line 27. Show the balance of account 330.

Item 33(b), Current Maturities of Line 28. Show the balance of account 331.

Item 34, Dividends Payable. Show the aggregate of balances in accounts 360 through 364.

Item 35, Other Current Liabilities. Show the balance of account 358.

Item 36, Total. Show the aggregate of items 30 through 35.

Item 37, Trust Receipts. Show the aggregate of balances in accounts 370, 374 and 378.

Item 38, Deferred Credits. Show the balances of accounts 380 and 383.

Item 39, Other Liabilities. Show the balance of account 390.

Item 40, Total Liabilities. Show the aggregate of items 29 and 36 through 39.

Item 41, Capital Stock. Show the aggregate of balances in accounts 400 through 414.

Item 42, Paid-In Surplus. Show balance of account 420.

Item 43, Less: Treasury Stock, at Cost. Show the aggregate of balance in accounts 415 through 419.

Item 44, Paid-In Capital Stock and Surplus. Show the aggregate of items 41 and 42, less item 43. The parenthetical amount shown as regulatory capital is to be computed in accordance with items 6, J., 10, of Appendix A. In those instances where Regulatory capital is different from the amount shown in this item, a footnote or supplementary schedule should be included to explain the difference.

Item 45, 3% Preferred Stock Issued to SBA (301(d) Licensee's only). Show the balance of account 430.

Item 46, Unrealized Gain (Loss) on Securities Held. Show the aggregate of balances of accounts 440 less 445 and 448.

Item 47, Non-Cash Gain on Sale of Securities. Show the balance of account 450.

Item 48, Undistributed Net Realized Earnings. Show the balance of account 451.

Item 49, Undistributed Realized Earnings. Show the aggregate of items 47 and 48.

Item 50, Total Capital. Show the aggregate of items 44 through 49.

Item 51, Total Liabilities & Capital. Show the aggregate of items 40 and 50.

Retained Earnings Computations. Retained earnings available for capitalization or distribution is computed in the note at the end of the Statement of Financial Position. Undistributed Net Realized Earnings as shown in item 48 is reduced by allowance for loss on loans and investments as reflected in account 445.

D. Statement of undistributed realized earnings. This statement is designed to analyze the activity in undistributed realized earnings by non-cash gains on sale of securities and undistributed net earnings realized. The ending balances of this statement are the same as items 47 through 49 on the Statement of Financial Position.

Column 1: Non-Cash Gains activity can be determined by reviewing account 450. Column 2: Undistributed Net Earnings activity can be determined by reviewing account 451.

1. Beginning balance—In column 1, show the beginning balance of account 450 and in column 2, show the beginning balance of account 451. These amounts should agree with the ending balances shown on the statement for the prior period.

2. (a) Net investment income—State as undistributed net earnings that amount shown as item 37 on the Statement of Operations Realized.

(b) *Realized Gain (Loss) on Sale of Securities*—State the amount shown in column 7, item 15 of the Statement of Realized Gain (Loss) on Sale of Securities under Non-Cash Gains. State the net of amounts of item 15, column 5 minus column 7 of the Statement of Realized Gain (Loss) on Sale of Securities under Undistributed Net Earnings. The total of this item should agree with amount in column 5, item 15 of the Statement of Realized Gain (Loss) on Sale of Securities and the amount in item 42 of the Statement of Operations.

3. *Adjustments: Collections of Non-Cash Gains*—Will be a decrease in column 1 "Non-Cash Gains" and will be an increase in column 2 "Undistributed Net Earnings." There will be no effect on column 3, "Total".

4. *Total*—Aggregate of lines 1, 2, & 3.

5. *Deductions*:

(a) (b) and (c) *Dividends*—are to be paid out of undistributed earnings only. Therefore, dividends will be entered in column 2.

6. *Ending balance*—is determined by subtracting 5(e) "Total Deductions" from item 4 which represents the beginning balance plus additions.

E. *Statement of operations realized*. This statement is designed to measure separately Net Investment Income and Realized Gain (Loss) on Sale of Securities. Such measurement is of realized operations only and is on the accrual basis of accounting.

1. *Net Investment Income*—is the result of measuring revenue and expense associated with investment and management assistance activities of a licensee other than realized gain (loss) on securities sold. Revenue is organized by source; i.e., from portfolio, from services provided, or from other sources. Expenses are grouped according to:

- Financial Expenses,
- Remuneration,
- Initiating & Servicing costs,
- Fixed Facilities, and
- Other costs.

Provision for taxes is the final measurement prior to determination of Net Investment Income.

2. *Realized Gain (Loss) on Sale of Securities*—is a function of operations that is measured separately from Net Investment Income. While the Statement of Realized Gain (Loss) on Sale of Securities provides a detailed analysis of realized gain or losses, the Statement of Operations shows in the aggregate, net sales price of securities sold during the period, the cost of such securities sold and a provision for taxes on the resulting gain. The remainder becomes net realized gain (loss) on sale of securities.

Although an allowance for loss on securities may be established for valuation and in some cases tax purposes, such allowances when provided are not reflected as an expense in measuring investment income. Rather, they are measured in the Statement of Unrealized Gain (Loss) on Securities Held as a component of unrealized depreciation which is an offset against unrealized appreciation. For this reason, the entire loss is reported in this statement when realized and the allowance for loss on the security is reduced by the amount of allowance previously established.

3. *Description by line item*—The following is a description by line item as to how the amounts shown on the Statement of Operations Realized are developed.

a. *Investment income*—the amounts shown in items 1 through 37 of this statement are derived primarily from the general ledger accounts as follows.

Item 1, *Interest on Loans and Debt Securities*. Show the aggregate of balances in accounts 512, 516 and 541.

Item 2, *Dividend Income*. Show the balance of account 540.

Item 3, *Management Services*. Show the balance of account 532.

Item 4, *Application and Other Fees*. Show the aggregate of balances in accounts 500, 534 and 536.

Item 5, *Interest on Invested Idle Funds*. Show the balance of account 510.

Item 6, *Income from Assets Acquired in Liquidation of Portfolio Securities*. Show the balance of account 582 net of the balance of account 710. Also, show the balance of account 710 parenthetically.

Item 7, *Other Income*. Show the aggregate of balances in accounts 520 and 584.

Item 8, *Total Revenue*. Show the aggregate of items 1 through 7.

Item 9, *Interest on Long-term Debt*. Show the aggregate of balances in accounts 610 and 622.

Item 10, *Commitment Fees*. Show the balance of account 600.

Item 11, *Other Financial Costs*. Show the balance of account 642.

Item 12, *Total Financial Expenses*. Show the aggregate of items 9 through 11.

Item 13, *Officer Salaries*. Show the balance of account 663-1.

Item 14, *Employee Salaries*. Show the balance of account 663-2.

Item 15, *Employee Benefits*. Show the balance of account 670.

Item 16, *Investment Advisory and Management Services*. Show the balance of accounts 659 and 660.

Item 17, *Director's and Stockholder's Meetings*. Show the balance of account 657.

Item 18, *Total Remuneration*. Show the aggregate of items 13 through 17.

Item 19, *Advertising and Promotion*. Show the balance of account 650.

Item 20, *Appraisal and Investigation*. Show the balance of account 651.

Item 21, *Communication*. Show the balance of account 653.

Item 22, *Legal Fees*. Show the balance of account 661.

Item 23, *Travel Expense*. Show the balance of account 665.

Item 24, *Total Initiating and Servicing Costs*. Show the aggregate of items 19 through 23.

Item 25, *Cost of Space Occupied*. Show the balance of account 654.

Item 26, *Depreciation & Amortization Expense*. Show the aggregate of balance in accounts 655 and 656.

Item 27, *Total Fixed Facilities*. Show the aggregate of items 25 and 26.

Item 28, *Audit and Examination Fees*. Show the balance of account 652.

Item 29, *Insurance Expense*. Show the balance of account 658.

Item 30, *Taxes Expense (Excluding Income Taxes)*. Show the balance of account 664.

Item 31, *Provision for Losses on Receivables*. Show the balance of account 680.

Item 32, *Miscellaneous Expenses*. Show the aggregate of balances in accounts 672, 679, and 715.

Item 33, *Total Other Costs*. Show the aggregate of items 28 through 32.

Item 34, *Total Expenses*. Show the aggregate of items 12, 18, 24, 29, and 33.

Item 35, *Net Investment Income before Provision for Income Taxes*. Show the balance of amount of item 8 less item 34.

Item 36a, *Provision for Income Taxes*. Show the balance of account 720.

Item 36b, *Less Deferred Credit (Charge) to Future Taxes*. Show the balance in account 380-1 net of related deferred charges in account 221.

Item 37, *Net Investment Income*. Show the net of item 35 less item 36.

b. *Realized Gain (Loss) on Sale of Securities*—the amounts shown in items 38 through 42 are derived primarily from the Statement of Realized Gain (Loss) on Sale of Securities as follows.

Item 38, *Net Sales Price*. State the amount shown on line 11, column 1.

Item 39, *Cost of Securities Sold*. State the amount shown on line 11, column 4.

Item 40, *Net Prior to Income Tax Provision*. State the amount shown on line 11, column 5.

Item 41a, *Provision for Income Taxes*. State the amount shown on line 14, column 5, which is the same as the balance of account 722.

Item 41b, *Less Deferred Credit (Charge) to Future Taxes*. Show the balance in account 380-2 net of related deferred charges in account 231.

Item 42, *Net Realized Gain (Loss) on Sale of Securities*. State the amount shown on line 15, column 5.

F. *Statement of Unrealized Gain (Loss) on Securities Held*. This statement summarizes the results of the valuation process of securities held as of the statement date as compared to the previous statement date and discloses the net change in the Unrealized Gain (Loss) on Securities Held.

The types of securities held are the primary groupings of loans and investments as set forth in items 1 through 10 of the Statement of Financial Position and are (1) Portfolio Securities, (2) Assets Acquired in Liquidation of Portfolio Securities, (3) Operating concerns acquired and (4) Other securities.

In arriving at net unrealized gain (loss) on securities held, consideration must be given to unrealized appreciation (valuation above cost) and unrealized depreciation (valuation below cost) of such securities. After adjusting the net unrealized appreciation (depreciation) for the appropriate tax effect, the remaining amount will represent unrealized gain (loss) on securities held.

1. *Source of data*—The Statement of Unrealized Gain (Loss) of Securities Held summarizes the "Analysis of Unrealized Gain (Loss) of Securities Held" which is a primary schedule in the management report. The latter shows in detail increases and decreases of specific line items, while this schedule summarizes, by types of loans and investments, unrealized appreciation (depreciation) and the tax effect of the net amount. The information contained in column 1 of this statement is based on line items 1, 8, and 19 of the Analysis of Unrealized Gain (Loss) of Securities Held. The information contained in column 2 of this statement is derived from line items 7, 17 and 21 of the Analysis of Unrealized Gain (Loss) of Securities Held. The information contained in column 3 results from a comparison of columns 1 and 2. All reference to the source of data described in the line items below is to information contained in the Analysis of Unrealized Gain (Loss) on Securities Held, (Schedule A) of the Management Report.

Item 1, *Portfolio Securities*. In column 1 of this schedule state the amount shown on line 1, column 4, and in column 2 of this schedule state the amount shown on line 7, column 4.

Item 2, *Assets Acquired in Liquidation of Portfolio Securities*. In column 1 of this schedule state the amount shown on line 1, column 7 and in column 2 of this schedule state the amount shown on line 7, column 7.

Item 3, *Operating Concerns Acquired*. In column 1 of this schedule state the amount shown on line 1, column 8 and in column 2 of this schedule state the amount shown on line 7, column 8.

Item 4, *Other Securities*. In column 1 of this schedule state the amount shown on line 1, column 9 and in column 2 of this schedule state the amount shown on line 7, column 9.

Item 5, *Total*. Show the aggregate of items 1 through 4.

Item 6, Portfolio Securities. In column 1 of this schedule state the amount shown on line 8, column 4, and in column 2 of this schedule state the amount shown on line 17, column 4.

Item 7, Assets Acquired in Liquidation of Portfolio Securities. In column 1 of this schedule state the amount shown on line 8, column 7 and on column 2 of this schedule state the amount shown on line 17, column 7.

Item 8, Operating Concerns Acquired. In column 1 of this schedule state the amount shown on line 8, column 8 and in column 2 of this schedule state the amount shown on line 17, column 8.

Item 9, Other Securities. In column 1 of this schedule state the amount shown on line 8, column 9 and in column 2 of this schedule state the amount shown on line 17, column 9.

Item 10, Total. Show the aggregate of Items 6 through 9.

Item 11, Unrealized Appreciation (Net of Depreciation) on Securities Held. The figure in column 1 of this schedule is a computed figure and should agree with the amount of line 1, column 10 less line 8, column 10. The figure in column 2 of this schedule is the same as the amount shown on line 18, column 10.

Item 12, Provision for Taxes. In column 1 of this schedule state the amount shown on line 19, column 10 and in column 2 of this schedule state the amount shown on line 21, column 10.

Item 13, Unrealized Gain (Loss) on Securities Held. The figure in column 1 of this schedule is a computed figure. The figure in column 2 of this schedule is the same as the amount shown on line 22, column 10.

G. Statement of Change in Financial Position. The Statement of Change in Financial Position is to be inclusive of all changes in financial position resulting from transactions. However, the statement does not include changes in unrealized gains (loss) on securities held which are based on subjective determinations by the Board of Directors and not based on transactions. The objectives of this statement are (1) to summarize the financing and investing activities of the licensee, including the extent to which the licensee has generated cash and invested idle funds, and (2) to complete the disclosure of changes in financial position during the period.

The following description by line item explains how the amounts on the Statement of Changes in Financial Position are developed.

Source of funds.—1. Net Investment Income (Loss). Enter the amount shown on line 37 of the Statement of Operations Realized.

2. Depreciation, Amortization, Provision for Loss on Receivables. Enter the total of amounts in accounts 655, 656, and 680 which amounts have been shown in line items 26 and 31 of the Statement of Operations Realized.

3. Net Realized Gain (Loss) on Sale of Securities. Enter the amount shown on line 42 of the Statement of Operations Realized.

4. Total. Add amounts shown in items 1 through 3.

5. Repayments of Loans & Debt Securities. Enter the total of amounts shown on line item 5 Columns 1 and 2 of Summary of Portfolio, (Schedule B) of the Management Report.

6. Non-Cash Decreases of Loans & Debt Securities. Enter the total of amounts shown on line item 6, columns 1 and 2 of Summary of Portfolio (Schedule B) of the Management Report.

7. Sale of Equity Securities. Enter the amount shown on line 5, column 6, in the Summary of Portfolio (Schedule B) of the Management Report.

8. Non-Cash Decrease of Equity Securities. Enter the amount shown on line item 6, column 6, in the Summary of Portfolio (Schedule B) of the Management Report.

9. Collection from Debtors on Sale of Assets Acquired. Enter the total of amounts representing cash deductions shown in column 7, Schedule 8 of the Management Report.

10. Non-Cash Decrease of Receivables Due From Debtors on Sale of Assets Acquired. Enter the total of amounts representing non-cash deductions shown in column 7, Schedule 8 of the Management Report.

11. Sale of Assets Acquired. Enter the total of amounts shown in columns 5, Schedule 9 of the Management Report.

12. Non-Cash Decrease in Assets Acquired. Enter the total of amounts shown in columns 5, Schedule 9 of the Management Report.

13. Cash Decrease of Investments in Operating Concern Acquired. Enter the total of amounts representing cash deductions shown in column 5, Schedule 10 of the Management Report.

14. Non-Cash Decreases of Investments in Operating Concerns Acquired. Enter the total of amounts representing non-cash deductions shown in column 5, Schedule 10 of the Management Report.

15. Sale or Collection of Other Securities. Enter the aggregate of cash deductions shown in column 5, Schedule 11 of the Management Report.

16. Non-Cash Decrease of Other Securities. Enter the aggregate of non-cash deductions shown in column 5, Schedule 11 of the Management Report.

17. Decrease in Current Assets (Excluding cash and invested idle funds). Enter the amount of net change of items 16 through 23 of the Statement of Financial Position if that amount is a decrease during the period.

18. Decrease in Other Assets. Enter the amount of net change of items 13, 24, and 25 of the Statement of Financial Position if that amount is a decrease during the period.

19. Increase in Long-term Debt due to or Guaranteed by SBA. Enter the amount of borrowings by the licensee during the period that were reflected as increases in accounts 300, 301 and 310.

20. Increases in Long-term Debt Due to Others. Enter the amount of borrowings by the licensee during the period that were reflected as increases in accounts 311, 312, 313, and 320.

21. Increase in Current Liabilities. Enter the amount of net change of items 30 through 33 and 35 of the Statement of Financial Position if that amount is an increase during the year.

22. Increase in Other Liabilities. Enter the amount of net change during the period of items 37, 38 and 39 of the Statement of Financial Position if the amount is an increase.

23. Sale of Licensee's Stock. Enter amount of increase during the period of items 41 through 45 of the Statement of Financial Position.

24. Total Funds Provided. Add amounts shown in items 4 through 23.

Application of funds.—25. Investment in Loans & Debt Securities. Enter the total of amounts shown on line item 2, columns 1 and 2 of Summary of Portfolio (Schedule B) of the Management Report.

26. Non-cash Increases in Loans & Debt Securities. Enter the total of amounts shown on line item 3, columns 1 and 2 of Summary of Portfolio (Schedule B) of the Management Report.

27. Purchase of Equity Securities. Enter the amount shown on line item 2, column 6 of Summary of Portfolio (Schedule B) of the Management Report.

28. Non-Cash Increase in Equity Securities. Enter the amount shown on line item 3, column 6 of Summary of Portfolio (Schedule B) of the Management Report.

29. Investments in Assets Acquired. Enter the total of amounts representing cash additions shown in column 6, Schedule 8 and column 4, Schedule 9 of the Management Report.

30. Non-Cash Increases in Assets Acquired. Enter the total of amounts representing non-cash additions shown in column 6, Schedule 8 and column 4, Schedule 9 of the Management Report.

31. Investment in Operating Concerns Acquired. Enter the total of amounts representing cash additions shown in column 4, Schedule 10 of the Management Report.

32. Non-Cash Increase of Investments in Operating Concerns Acquired. Enter the total of amounts representing non-cash additions shown in column 4, Schedule 10 of the Management Report.

33. Increase in Other Securities. Enter the aggregate of amounts shown in column 4 of Schedule 11 of the Management Report.

34. Increase in Current Assets (Excluding cash and invested idle funds). Enter the amount of net change of items 16 through 23 of the Statement of Financial Position if that amount is an increase during the period.

35. Increase in Other Assets. Enter the amount of net change of items 13, 24 and 25 of the Statement of Financial Position if that amount is an increase during the period.

36. Decrease in Long-Term Debt Due to or Guaranteed by SBA. Enter the amount of debt repaid by the licensee during the period and reflected as decreases in accounts 300, 301 and 310.

37. Decrease in Long-Term Debt Due to Others. Enter the amount of debt repaid by the licensee during the period and reflected as a decrease in accounts 311, 312, 313 and 320.

38. Decrease in Current Liabilities (Excluding Dividends). Enter the amount of net change of items 30 through 33 and 35 of the Statement of Financial Position if the aggregate is a decrease.

39. Payment of Dividends. Enter the amount of dividends paid during the year as shown in accounts 360 through 364.

40. Decrease in Other Liabilities. Enter the amount of net change during the period of items 37, 38, and 39 of the Statement of Financial Position if that amount is a decrease.

41. Increase (Decrease) in Cash and Invested Idle Funds. Enter the amount of net increase or (decrease) during the period of items 14 and 15 of the Statement of Financial Position. This amount should be the same as item 24 less the aggregate of items 25 through 40 of this statement.

42. Total Funds Applied. Enter the aggregate of items 25 through 41 of this statement.

H. Statement of Realized Gain (Loss) on Sale of Securities. Since gain or loss on sale of securities is considered realized at the point of sale rather than at the point of collection, this statement measures net gain (loss) on securities sold according to cash and non-cash gains. It provides supporting detail to the Statement of Operation Realized.

Although this statement is entitled "Statement of Realized Gain (Loss) on Sale of Securities" it is intended to include securities written off as worthless.

The following description by column and by line item explains how the amounts shown on the Statement are developed.

Column 1: Net Sale Price. The net sale price will include both monetary and non-monetary assets received by the licensee upon sale of securities but will be net of normal

selling expenses. It will be the total of amounts shown in columns 2 and 3.

Column 2: Cash Received. As implied, this will include cash and cash items only. It should be noted that purpose of this column is more restrictive than "monetary assets" as defined in APB No. 29.

Column 3: Non-Monetary Receipts. By definition, include receipts other than cash or cash items. APB No. 29 would include notes receivable in cash to be a monetary asset and therefore, not a non-monetary receipt. Licensees, however, will consider notes receivable to be non-monetary receipts. The non-monetary assets received in each sale should be explained in note form to this schedule.

Column 4: Cost of Securities Sold. This column will include the licensee's cost basis of securities sold. Cost will not be affected by unrealized depreciation (provision for losses) or unrealized appreciation. Rather, appreciation or depreciation previously recorded for securities sold will be reversed at the time of sale.

The one exception to this rule will be the sale of an equity interest in an unincorporated concern. Since the equity method of accounting applies, the carrying value will be other than cost. The carrying value will be shown in column 4 as "cost".

Column 5: Net Gain (Loss). This column represents gain or loss realized on securities. It is determined by comparing net sale price (column 1) and cost of securities sold (column 4).

Column 6: Cash Gains. This column measures gains realized in cash. Such amounts are determined by comparing cash received (column 2) on sale of securities with cost of securities sold (column 4). When cash exceeds the cost, the result is a net cash gain. However, if the cost exceeds the cash, a non-cash gain will be recognized to the extent a gain is shown in column 5. When a loss is realized there will be no amount shown in column 6 or 7.

Column 7: Non-Cash Gain. This column will measure gains realized representing receipts other than cash. It is determined by comparing net gains shown in column 5 and cash gains shown in column 6.

2. Line Item Description.

The line item organization and grouping are the same as items 1 through 10 of the Statement of Financial Position with one exception; the addition of Invested Idle Funds (items 15 of the Statement of Financial Position) as item 10. Concerning line item 3 "Equity Interests," this item includes: (a) Capital stock of SBCs, (b) equity interests of unincorporated concerns, and (c) warrants, options and other stock rights.

It should be noted that the amounts in column 5 will be the net amount of balance in the following accounts:

Line item:	Accounts
1. Loans	571 and 701.
2. Debt securities	572, and 702.
3. Equity interests	574, thru 576, and 704 thru 706.
5. Receivable from debtors on sale of assets acquired.	577, and 707.
6. Assets acquired	577, and 707.
7. Operating concerns	578, and 708.
9. Other securities	579, and 709.
10. Invested idle funds	570, and 700.
12. Federal income taxes.	722.1
13. State and local income taxes.	722.2

less 380.2.

The amounts shown in item 11, columns 1 through 5 are to be entered in items 38, 39, and 40 of the Statement of Operations Realized. The amounts shown in item 15 are to be entered in item 2(b) of the Statement of Undistributed Realized Earnings. It should be noted that the amount entered in "Undistributed Net Earnings" is the amount shown in column 5 minus column 7, line 15 of Statement of Realized Gain (Loss) on Sale of Securities.

I. Statement of Commitments and Guarantees. This statement provides a schedule of outstanding commitments of the licensee to provide funds to small business concerns. It also shows by small business concern the amount of such concern's debt to a third party the licensee has guaranteed. Such amounts will be shown according to Portfolio Securities or Assets Acquired in Liquidation of Portfolio Securities.

The statement is completed as follows:

(a) Under Commitments, show the small business concern to whom the funds are committed. The amounts shown as commitments are derived from memorandum account CL-15.

(b) Under Guarantees, show the name of the small business concern. The amounts shown as guarantees are derived from memorandum account CL-16.

J. Schedule of loans and investments. This schedule will show loans and investments outstanding at the Statement date by small business concerns grouped into the following categories:

(1) "portfolio securities" segregated by publicly held SBCs and privately held SBCs, (2) "assets acquired in liquidation of portfolio securities," (3) "operating concerns acquired" and (4) "other securities."

The schedule will contain the name of the small business concern, brief description of the securities, cost basis, valuation by Board of Directors and potential equity interest in the concern. On publicly traded securities, the exchange on which the security is traded should be indicated by symbol and legend.

III. MANAGEMENT REPORT

A. General. The Management Report (Part II, SBA Form 468) is designed to provide SBA with analytical data on the licensee's operations.

The schedules in this report are designed to cover a variety of situations. The preparer of the report, however, should recognize that when a particular schedule does not apply to his licensee's operations, the schedule should be omitted. Accordingly, if the licensee has no assets acquired in liquidation, pages 9 through 13 will be omitted.

The table of contents to the Management Report summarizes the information contained in the report and is as follows.

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B. Size and classification. This data sheet provides information on the licensee's size, ownership, investment policy and venture capital status.

1. **Size**—should be measured in total assets as shown on line 26 of the Statement of Financial Position. This measurement is indicative of funds invested in or available for investment in small business.

2. **Ownership**—is measured according to bank domination or association, ownership by another corporate entity, or individual ownership.

Bank domination refers to ownership of 50 percent or more of the licensee's stock by a Bank or Bank Holding Company. If the Bank or Bank Holding Company controls between 10 percent to 49 percent of the licensee's stock, the licensee is considered to be Bank Associated.

Licensees are presumed to be owned by a financial corp. or non-financial corp. if 50 percent or more of its stock is owned by such corporation. Otherwise, the licensee's ownership is considered to be "individually owned."

Concerning public or non-public, i.e., private, ownership, a company's stock is considered to be publicly owned if the company has sold its stock in the market place to raise capital and it is regulated by the Securities and Exchange Commission. Otherwise, the company is considered to be privately owned.

3. **Investment policy**—should be that which the licensee has adopted as set forth in its proposal to operate, as amended.

4. **Venture Capital Status**—should be based on the computation made in accordance with § 107.202 of SBA regulations.

C. Overview of licensee's operations. The "overview" is intended to be a summary of the licensee's operations for the period completed viewed from the standpoint of the licensee's management. It should highlight significant events affecting the licensee's operations that would assist the reader in understanding the data contained in the report.

It should be limited to information not otherwise made available to SBA and contain interpretive analysis of specific data contained elsewhere in the report. Although the routine disclosure of such information is in the best interest of the licensee, inclusion of the overview in the management report is at the licensee's discretion.

The overview is intended to be a brief narrative summary of the licensee's operations during the year recently completed. It should summarize activities involving such things as applications for funding received from small business concerns, financings made, management assistance provided, etc.

In those instances where the licensee has assets acquired in liquidation, progress toward disposing of such assets should be summarized. The overview should include comments on matters relating to SBA Regulations and other matters of interest considered appropriate.

It is also contemplated that the overview will include success stories where they occur.

have been accomplished, and can be measured.

Regarding the coming year, significant events expected to occur and that will affect the licensee's operations in the coming year should be highlighted.

D. Analysis of Unrealized Gain (Loss) on Securities Held—Schedule A. This schedule is designed to be more comprehensive than the Statement of Unrealized Gain (Loss) on Securities Held which is contained in the Financial Report. The schedule is intended to measure the component increases and decreases of both unrealized appreciation and unrealized depreciation. Such measurement is according to the classification of portfolio securities, assets acquired in liquidation of portfolio securities, operating concerns acquired, and other securities.

It should be noted that the information contained in this analysis should be consistent with the Statement of Unrealized Gain (Loss) on Securities Held which is included in Part I.

The information contained in this schedule is based on schedules 1 through 5 and 8 through 11 of this report. Such information can also be obtained by analyzing the activity in the various ledger accounts as follows:

Column 1. Loans. Analyze account 171 and column 11 of schedule 1.

Column 2. Debt Securities. Analyze accounts 186 and 187 as well as column 12 of schedule 2.

Column 3. Equity Interests. Analyze accounts 192, 193, 195, 196, 198 and 199. Also, analyze column 12 of schedules 3, 4, and 5.

Column 4. Total. Total columns 1 through 3.

Column 5. Receivables from Debtors on Sale of Assets Acquired. Analyze account 203 and column 9 of schedule 8.

Column 6. Assets Acquired. Analyze accounts 205 and 206 as well as column 8 and 9 of schedule 9.

Column 7. Total. Total columns 5 and 6.

Column 8. Operating Concerns Acquired. Analyze accounts 211 and 212 as well as columns 8 and 9 of schedule 10.

Column 9. Other Securities. Analyze accounts 222 and 223 as well as columns 8 and 9 of schedule 11.

Column 10. Total. Total column 4, 7, and 9.

Provision for Taxes on Unrealized Gain on Securities Held. Analyze accounts 231 and 380.

E. Summary of Portfolio—Schedule B.

This schedule is a summary of the licensee's portfolio by type of security and showing three separate measurements as follows:

The activity within the portfolio during the period on cost basis,

The portfolio at lower of cost or value at the statement date, and

The portfolio at value at the statement date.

1. Activity within the portfolio—is to be shown net of unearned discounts and fees. Such activity is measured according to cash and non-cash additions, cash and non-cash deductions. The balance at the beginning of the period is adjusted by the net increase (decrease) during the period and thereby resulting in the balance at the end of the period at cost.

2. Portfolio at Lower of Cost or Value—is determined by reducing the balances of types of securities at the end of the period carried on cost basis by the unrealized depreciation in the portfolio.

3. Portfolio at Value—is determined by increasing the balances of types of securities reflected on the lower of cost or market basis by the amount of unrealized appreciation in the portfolio.

The amounts shown on this schedule are the totals of schedules 1 through 5 as follows:

Column 1. Loans—show totals of schedule 1.

Column 2. Debt Securities—show totals of schedule 2.

Column 3. Stock of SBC—show totals of schedule 3.

Column 4. Equity Interest of Unincorporated SBC—show totals of schedule 4.

Column 5. Warrants, Options, & Other Rights—show totals of schedule 5.

Column 6. Total—show aggregate of amounts in columns 3 through 5.

1. Schedule 1—Loans. This schedule will include loans held, made, or otherwise obtained, as well as loans disposed of by the company during the period. Such data shall be reported as indicated by the column heading. The reporting company's portion of participation in loans shall be included.

List each loan by employer identification number; owner group code number designating the group classification of the principal ownership of the small business concern as follows: (0) Negroes; (1) Puerto Ricans; (2) American Indians; (3) Spanish Americans; (4) Asians (Japanese, Chinese, Koreans, Filipinos); (5) Eskimos and Aleuts; (6) Undetermined and (7) Others—including whites; financing number; interest rate; Standard Industrial Classification code; name of financed small business concern, together with street address, city, State, zip code, and country in which located; date and maturity date; principal balance at beginning of period; cash additions during period; non-cash additions during period (include refinancing); cash deductions during period; non-cash deductions during period; and principal balance at close of period. The total in columns 4 through 10 shall be entered in column 1 of the Summary of Portfolio, Schedule A.

As indicated by the footnote on schedule 1, the beginning balances as well as additions during the period are to be net of unearned discounts, fees, etc.

An explanatory notation or footnote shall be entered in the schedule with respect to any loan (or any interest therein) obtained from another licensee. A similar explanatory notation or footnote is to be entered for each non-cash addition or deduction during the period.

Treat multiple disbursements under the same financing agreement as a single financing. Show the total of all loan financings on the last sheet of this schedule.

In column (1) enter the employer identification number of each listed small business concern. Insert the appropriate owner group code number in parentheses, following the employer identification number of each small business concern.

Enter for each listed small business concern the four-digit Standard Industrial Classification code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Office of Management and Budget.

If the licensee has had more than one financing in the same category outstanding to the same small business concern, each such similar financing should be assigned a financing number (1-2-3, etc.) for identification purposes, and this number should be shown in the applicable column on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

In column (9) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as

appropriate. Also, identify by the letter (V) each item qualifying under the regulations as venture capital and by the letters (SP) each item qualifying under the regulations as special discretionary portfolio. Show the total of all venture capital amounts on the last sheet of this schedule immediately under the "Totals" line at the foot of column (9). Show the total of all special discretionary portfolio amounts on the last sheet of this schedule immediately under the "Total venture capital."

2. Schedule 2—Debt securities. This schedule will include debt securities (§ 107.302(b)(3)) held or acquired during the period as well as those converted, or disposed of during the period. Such data shall be reported as indicated by the column headings. The reporting company's portion of participation in debt securities shall be included.

List each debt security by employer identification number; owner group code number designating the group classification of the principal ownership of the small business concern as follows: (0) Negroes; (1) Puerto Ricans; (2) American Indians; (3) Spanish Americans; (4) Asians (Japanese, Chinese, Koreans, Filipinos); (5) Eskimos and Aleuts; (6) Undetermined and (7) Others—including whites; financing number; interest rate; Standard Industrial Classification code; name of financed small business concern, together with street address, city, State, zip code, and county in which located; date and maturity date; principal balance at beginning of period; cash additions or deductions during period; noncash additions or deductions during period; and principal balance at close of period, and fair value of debt securities as determined by the licensee's board of directors in good faith. The total of columns 4 through 10 are to be entered in column 2 of the Summary of Portfolio, Schedule A.

As indicated by a note on this schedule, the beginning balances as well as noncash additions during the period are to be net of unearned discounts, fees, etc.

Show in column (11) opposite each debt security financing the percentage of the financed small business concern's voting securities which can be obtained by the licensee through exercise of conversion privileges and/or stock purchase warrants or options received in connection with the specific financing. This percentage shall be computed without giving consideration to the possibility of simultaneous exercise of stock rights by other investment interests. Whenever a licensee considers it important to disclose that its percentage of actual and potential ownership is affected by the probable action of others in exercising their stock rights, a footnote should be appended to the percentage figure arrived at by consideration of only the licensee's actions. In such footnote the percentage of actual and potential ownership giving consideration to the probable action of others should be set forth, together with an explanation including the names of the other investors who are likely to exercise their rights, the percentages of actual and potential ownership they hold, and the general terms of their stock rights.

An explanatory notation or footnote shall be entered in the schedule with respect to any debt security (or any interest therein) obtained from another licensee. A similar explanatory notation or footnote is to be entered for each non-cash addition or deduction during the period.

Treat multiple disbursements under the same financing agreement as a single financing. Show the total of all debt security financings on the last sheet of this schedule.

In column (1) enter the employer identification number of each listed small business concern.

Insert the appropriate owner group code number, in parentheses, following employer

identification number of each small business concern.

Enter for each listed small business concern the four-digit Standard Industrial Classification code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Office of Management and Budget.

If the licensee has had more than one financing in the same category outstanding to the same small business concern, each such similar financing should be assigned a financing number (1-2-3, etc.) for identification purposes, and this number should be shown in the applicable column on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

In column (9) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as appropriate. Also, identify by the letter (V) each item qualifying under the regulations as venture capital and by the letters (SP) each item qualifying under the regulations as special discretionary portfolio. Show the total of all venture capital amounts immediately under the "Totals" line at the foot of column (9). Show the total of all special discretionary portfolio amounts on the last sheet of this schedule immediately under the "Total venture capital."

3. *Schedule 3—capital stock of SBCs.* This schedule will include capital stock (§ 107.302 (b)(1)) of small business concerns held or acquired during the period as well as those sold, or disposed of otherwise during the period. Such data shall be reported as indicated by the column headings. The reporting company's portion of participation in investments shall be included.

List each investment by employer identification number; Owner Group Code number; financing number; Standard Industrial Classification code; name of financed small business concern, together with street address, city, state, zip code, and country in which located; date acquired, type and class, number of shares, etc.; balance at cost at beginning of period; cash additions during period; non-cash additions during period at cost; cash deductions during period; non-cash deductions during period at cost; balance at cost at close of period; percent of outstanding shares of SBCs stock licensee owns; and fair value of such stock as determined by the licensee's board of directors in good faith. The total of columns 4 through 10 are to be entered in column 3 of the Summary of Portfolio, Schedule A.

An explanatory notation or footnote shall be entered in the schedule with respect to any investment (or any interest therein) obtained from another licensee. A similar explanatory notation or footnote is to be entered for each non-cash additions or deductions during the period.

Treat multiple disbursements under the same financing agreement as a single financing. Show the total of capital stock on the last sheet of this schedule.

In column (1) enter the employer identification number of each listed small business concern. Enter the appropriate Owner Group Code number in parentheses.

Enter for each listed small business concern the four-digit Standard Industrial Classification code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Office of Management and Budget.

If the licensee has had more than one financing in the same category outstanding to the same small business concern, each such similar financing should be assigned a

financing number (1-2-3, etc.) for identification purposes, and this number should be shown in the applicable column on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

In column (9) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as appropriate. Also, identify by the letter (V) each item qualifying under the regulations as venture capital and by the letters (SP) each item qualifying under the regulations as special discretionary portfolio. Show the total of all venture capital amounts immediately under the "Totals" line at the foot of column (9) on the last sheet of this schedule. Show the total of all special discretionary portfolio amounts on the last sheet of this schedule immediately under the "Total venture capital."

4. *Schedule 4—equity interests of unincorporated SBCs.* This schedule will include equity interests of unincorporated concerns (See § 107.302(b)(2)) held or acquired during the period as well as those sold or disposed of otherwise during the period. Such data is to be reported as indicated by the column headings. The reporting licensee's portion of participation in equity interests of unincorporated concerns will be included.

List each equity interest by employer identification number; Owner group code number designating the group classification of the principal ownership of the small business concern as follows: (0) Negroes; (1) Puerto Ricans; (2) American Indians; (3) Spanish Americans; (4) Asians (Japanese, Chinese, Koreans, Filipinos); (5) Eskimos and Aleuts; (6) Undetermined and (7) Others—including whites; financing number; Standard Industrial Classification code; name of financed small business concern, together with street address, city, state, zip code, and country in which located; date acquired; principal balance at beginning of period; cash additions and deduction during period; non-cash additions and deductions during period; and principal balance at close of period, percentage of the unincorporated concern the licensee owns; and fair value of the equity interest as determined by that licensee's board of directors in good faith. The total of columns 4 through 10 are to be entered in column 4 of the Summary of Portfolio, Schedule A.

Show in column 11 opposite each equity interest financing, the percentage of the unincorporated concern and equity that is owned by the licensee.

An explanatory notation or footnote will be entered in the schedule with respect to any equity interest obtained from another licensee. Also, a notation or footnote is to be entered for each non-cash addition or deduction during the period.

Treat multiple disbursements under the same financing agreement as a single financing. Show the total of equity interests on the last sheet of this schedule.

In column (1) enter the employer identification number of each listed small business concern.

Insert the appropriate owner group code number, in parentheses, following employer identification number of each small business concern.

Enter for each listed small business concern the four-digit Standard Industrial Classification code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Office of Management and Budget.

If the licensee has had more than one financing in the same category outstanding to the same small business concern, each

such similar financing should be assigned a financing number (1-2-3, etc.) for identification purposes, and this number should be shown in the applicable column on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

In column (9) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as appropriate. Also, identify by the letter (V) each item qualifying under the regulations as venture capital and by the letters (SP) each item qualifying under the regulations as special discretionary portfolio. Show the total of all venture capital amounts on the last sheet of this schedule immediately under the "Totals" line at the foot of column (9). Show the total of all special discretionary portfolio amounts on the last sheet of this schedule immediately under the "Total venture capital."

5. *Schedule 5—warrants, options, and other stock rights acquired from SBCs.* This schedule will include warrants, options, and other stock rights acquired from small business concerns held or acquired during the period as well as those exercised, sold or otherwise disposed of during the period. Such data is to be reported as indicated by the column headings. The reporting licensee's participation in investments shall be included.

The warrants, options or other rights to be included in this schedule shall be those for which a cost has been determined separate from that of the financing instruments which they accompanied. If no separate cost is determined, no amount will be entered in column 9. However, the fair value as determined by the licensee's board of directors will be entered in column 10.

List each investment by employer identification number; Owner Group Code number; financing number; Standard Industrial Classification code; name of financed small business concern, together with street address, city, State, zip code, and country in which located; date acquired type and class, etc.; balance at cost at beginning of period; cash additions during period; non-cash additions during period at cost; cash deductions during period; non-cash deductions during period at cost; and balance at cost at close of period; percent of potential ownership of the financed concerns stock the licensee would acquire if the warrants, options or other rights are exercised; and fair value of such warrants, options and other rights as determined by the licensee's board of directors in good faith. The total of columns 4 through 10 are to be entered in column 5 of the Summary of Portfolio, Schedule A.

Show in column (11) opposite each financing item the percentage of the financed small business concern's voting securities which can be obtained by the licensee through exercise of conversion privileges and/or stock purchase warrants or options. This percentage shall be computed without giving consideration to the possibility of simultaneous exercise of stock rights by other investment interests. Whenever a licensee considers it important to disclose that its percentage of actual and potential ownership is affected by the probable action of others in exercising their stock rights, a footnote should be appended to the percentage figure arrived at by consideration of only the licensee's action. In such footnote the percentage of actual and potential ownership giving consideration to the probable action of others should be set forth together with an explanation including the names of the other investors who are likely to exercise their rights the percentages of actual

and potential ownership they hold, and the general terms of their stock rights.

An explanatory notation or footnote shall be entered in the schedule with respect to any investment (or any interest therein) obtained from another licensee. A similar explanatory notation or footnote is to be entered for each non-cash addition or deduction during the period.

Treat multiple disbursements under the same financing agreement as a single financing. Show the total of warrants, options, and other stock rights financing on the last sheet of this schedule.

In column (1) enter the employer identification number of each listed small business concern.

Insert the appropriate Owner Group Code number, in parentheses, following the employee identification number of each small business concern. In column 1 enter for each listed small business concern the four-digit Standard Industrial Classification Code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Office of Management and Budget.

If the licensee has had more than one financing in the same category outstanding to the same small business concern, each such similar financing should be assigned a financing number (1-2-3, etc.) for identification purposes, and this number should be shown in the applicable column on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

In column (9) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as appropriate. Also, identify by the letter (V) each item qualifying under the regulations as venture capital and by the letters (SP) each item qualifying under the regulations special discretionary portfolio. Show the total of all venture capital amounts immediately under the "Totals" line at the foot of column (9). Show the total of all special discretionary portfolio amounts on the last sheet of this schedule immediately under the "Total venture capital."

6. Schedule 6—Details of certain portfolio securities listed in Schedule 1 through 5. Enter in this schedule portfolio securities shown in Schedules 1 through 5 when any one or more of the following conditions exist with respect to the financed concern:

1. New or additional financing furnished during the period, as shown in column (5) and (6) of Schedules 1 through 5.
2. The terms of existing financing amended and/or the related collateral changed during the fiscal year to date.
3. The rescheduling, refinancing, or re-funding of principal and/or the interest of any portfolio security, or conversion of a delinquent item during the period. (Full details on such events are to be furnished in column (6) or on an attached sheet.)
4. Installment payments of principal and/or interest on loans or debt securities are past due more than one year.
5. An outstanding SBA loan, SBA guarantee or a bank loan or other private loan to the licensee's portfolio concern.

List the items by employer identification number in column (1) and identify them by name of small business concern, type of financing, and financing number in columns (2), (3), and (4). In column (5) show the original principal amount or other cost. Details of the amortization plan and other significant provisions of the financing instruments, including a precise description of capital stock of SBCs, shall be set forth in column (6). The outstanding balance of any SBA direct loan, SBA participation loan,

or SBA guaranteed loan to the licensee's portfolio concern is to be shown in column (7). The licensee is requested to obtain this information from the portfolio small business concern, if it is not already available in the licensee's office. The value and description of collateral are to be set forth in column (8). Information as to the portion of such collateral assigned as security for the financing granted by the licensee is required to be presented in column (8).

Any defaults are to be described in column (6) of Schedule 6. Such earmarked or pledged portfolio securities shall be identified in the schedule by the letter (E) or (P), as securities are in default as to principal or interest payments, or as to any other covenants in the financing agreements, a statement to that effect be placed on Schedule 6.

7. Schedule 7—Participations and joint financings. Show in this schedule the financings in which the reporting licensee participated as well as financings made jointly by the reporting licensee and one or more other lenders or investors during the period or which were outstanding at any time during such period. Identify each item in column (1) by the employer identification number and name of the financed small business concern; indicate by appropriate letter in column (2) the type of financing (loan, debt security, stock, warrants, and options); and enter the financing number in column (3) if there has been more than one financing of the same type by the reporting company to the same small business concern.

In column (4) show the original total amount contributed by all parties in the participation or joint financing. The names of such participating or joint financing entities (including the name of the reporting licensee) shall be shown in column (5) with appropriate indication as to which is the initiating (sponsoring) entity.

Show in column (6), (7), or (8), as appropriate, the reporting licensee's outstanding principal balance, or other cost, of participation purchased, participation sold, or joint financing, as of the close of the period covered in the report. Enter in column (9) a description of collateral pertaining to each financing, together with information as to the percentage applicable to each party and as to any preferences agreed upon.

F. Schedule 8—Receivables from debtors on sale of assets acquired in liquidation of portfolio securities. Show in this schedule, by debtors, accounts receivable, notes receivable, sales contracts, purchase money mortgages, etc., carried during the period in account 200 "Receivables due from debtors on sale of assets acquired in liquidation of portfolio securities." The interest rate and other terms shall be given. The balances at the beginning and close of the period shall be shown, together with additions and deductions during such reporting period. Allowances for uncollectables based upon an evaluation of the reporting company's portion of individual amounts due shall be recorded in column (9) opposite the name of the debtor. Under column (2) identify the assets originally acquired in liquidation to which the amount due relates. The total of column 8 should agree with the balance of account 200. The total of column 9 should agree with account 203.

G. Schedule 9—Assets acquired in liquidation of portfolio securities. List and describe in this schedule, by former debtors (small business concerns), assets carried during the period, in the account No. 204 of the System of Account Classification for assets acquired in liquidation of portfolio securities. This schedule will represent only the reporting licensee's portion of such assets.

In column 2, fully describe the assets acquired. The balance at the beginning of the

reporting period, additions and deductions during the period, and balance at the close of the period shall be shown in columns (3), (4), (5), and (6).

The fair value, as determined by the licensee's Board of Directors for such assets held at the end of the period will be recorded in column (7). Unrealized depreciation will be measured in column 8 and unrealized appreciation will be measured in column 9.

The information contained in columns 3 through 6 can be obtained by analyzing account 204 and the related subsidiary accounts. Unrealized depreciation, column 8, can be obtained from account 206. Unrealized appreciation, column 9, can be obtained from account 205.

H. Schedule 10—Operating concerns acquired. This schedule summarizes certain information relating to portfolio concerns the licensee has acquired control over as a result of taking action to protect its investment. Such concerns are those that are operating; accordingly, the licensee will dispose of all or at least controlling interest of such concern.

Each concern acquired by the licensee will be listed on the schedule with the appropriate information requested. The source of data on this schedule is column 4 of schedule 10(a).

Identify in column 1 the name and address of the concern acquired. In column 2, show a breakdown in the percentage ownership of the concern according to ownership by licensee, other SBIC, licensee's associates, and other.

Columns 3 through 6 contain information on the licensee's investment in the concern on a cost basis. Column 3 is the balance at the beginning of the period, column 4 and 5 represent additions and deductions, respectively, during the period, and column 6 represents the balance at the end of the period.

Column 7 through 9 represent valuation of such investments at the statement date. Column 7 represents the value of the investments in operating concerns acquired as determined by licensee. Column 8 represents valuation below cost (unrealized depreciation) and Column 9 represents valuation above cost (unrealized appreciation).

1. Schedule 10a—Analysis by operating concern acquired. For each concern listed on Schedule 10, a completed Schedule 10a will be included in the Management Report. The purpose of this schedule is to summarize the licensee's total investment in the concern acquired and the activity with respect to that investment. Attached to the schedule should be a copy of the latest annual financial statements of the concern acquired. Also attached should be a narrative summary as to the circumstances surrounding the acquisition of the concern acquired during the year of acquisition and a status summary as to action during the year to dispose of the licensee's controlling interest in the concern.

The heading of the schedule will contain the concerns name and address, employer's I.D. Code, and SIC Code. The body of the schedule will disclose the licensee's investment according to loans, debt securities and/or equity investments that were previously reported as portfolio securities and will measure the activity with respect to such investment.

Contingent liabilities of the licensee to the concern acquired in the form of guarantees and commitments will also be disclosed in this schedule.

During the period the licensee's financings are reclassified from portfolio securities to assets acquired, there should be full disclosure as to the source of amounts that have been reclassified. Such amounts would be non-cash additions during the period in this schedule and non-cash deductions on

schedules where amounts were transferred from.

The source of information contained in this schedule can be found by analyzing activity in the accounts as follows. Columns 1 through 4 represent funded assets acquired and include loans, debt securities, and equity interests. The information reported in items 1 through 9 of this schedule for funded assets acquired can be obtained by analyzing account 210 and the related subsidiary accounts. Item 10, Unrealized Depreciation, is the balance of account 212 and the related subsidiary accounts. Item 12, unrealized appreciation, is the balance of account 211 and the related subsidiary accounts.

The unfunded items, commitments and guarantees, can be obtained from memorandum accounts C1-15 and C1-16.

I. Schedule 11—Other securities. Show in this schedule the securities the licensee holds that were acquired by means other than providing financing, and which are not appropriately classified as portfolio securities or assets acquired in liquidation of portfolio securities. Such securities may be part of the considered the licensee received from the sale of portfolio securities or assets acquired in the liquidation of portfolio securities. They may also result from dividends in kind from a portfolio concern.

Other securities should be grouped by debt securities and equity securities.

In column 1, state the name of the concern issuing the securities (in the case of equity securities) or the debtor (in the case of debt instruments).

In column 2, describe the securities and restrictions, if any. In the case of debt instruments, show the terms of repayment and other appropriate information.

In column 3 through 6, show the activity and balances of the securities on the cost basis. In the case of debt instruments, cost is the face amount of the instrument net of unearned discounts, fees, etc.

In column 7, show the market or fair value of securities as determined by the licensee's Board of Directors.

After comparing columns 6 and 7, show value below cost in column 8 as unrealized depreciation and show value above cost in column 9 as unrealized appreciation.

The information contained in columns 3 through 6 can be obtained by analyzing accounts 220 and 221. Unrealized depreciation, column 8, can be obtained from account 223. Unrealized appreciation, column 9, can be obtained from account 222.

J. Schedule 12: Cash and Invested Idle Funds. Cash will be reported on Schedule 12(a) and Invested Idle Funds will be reported on Schedule 12(b).

Schedule 12(a)—Cash. Show cash on hand and in general funds demand deposits; funds in imprest bank accounts. Demand deposits are balances subject to withdrawal without notice and shall be in commercial banks which are members of the Federal Deposit Insurance Corporation. Cash items in process of collection represent those cash items which have been placed with banks for collection. Petty cash shall represent the full amount of the petty cash imprest fund. The amount shown on line 7 should be the same amount reported on line 14 of the Statement of Financial Position.

Schedule 12(b)—Invested Idle Funds. Show in Schedule 12b(1) securities owned which have been issued or guaranteed by the U.S. Government, showing the name of the issuer and the title of each issue. Other required data, such as interest rate, call date, maturity date, and principal amount at par of bonds and notes, may be obtained by inspection of the securities or from records of securities pledged. The cost of the

securities shall be shown in column (6) and the current market value thereof in column (7).

Show in Schedule 12b(2) funds invested in insured savings accounts and funds on time deposit evidenced by time certificates of deposit. Savings accounts shall be with institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. Time deposits shall include all time certificates of deposit held by the company in commercial banks which are members of the Federal Deposit Insurance Corporation.

The amount shown in Schedule 12(b) (2) line 19 represents invested idle funds and should be the same amount as shown on line 15 of the Statement of Financial Position.

The amounts contained in this schedule can be obtained from the accounts as follows:

In schedule 12(a), item 1 is based on accounts 100 through 108, item 2 is based on accounts 110 through 112, item 3 is based on account 118, and item 4 is based on account 120.

Schedule 12(b) (1) is based on account 130.

In schedule 12(b) (2), columns 1 and 3 are based on accounts 131 through 134, and columns 2 and 4 are based on accounts 135 through 137.

K. Schedule 13—Average cash and Invested Idle Funds balances on a monthly basis. This schedule is designed to measure cash or cash items available for investment and is a basis for measuring the licensee's level of activity.

A monthly average is to be computed which fairly represents cash and invested idle funds available during the month. The average amount of cash available can usually be obtained from the licensee's bank statements. The average of invested idle funds is to be a "simple" average based on the number of days in the month and giving consideration to the liquidation value of such short-term securities.

The schedule is to include the 18 month period prior to the statement date. Should there be cash or idle funds that are encumbered or restricted (compensating balances, pledged funds, etc.), such amounts will be eliminated.

The amounts contained in the schedule can be obtained from the accounts as follows: Column 1, cash, is based on accounts 100 through 120. Column 2, idle funds, is based on accounts 130 through 137.

L. Schedule 14—Long-term debt. Show in this schedule, by creditors, all obligations payable representing (1) debentures payable to SBA, (2) SBA direct loans, (3) guaranteed loans purchased by SBA, (4) loans guaranteed by SBA, (5) loans not guaranteed by SBA, (6) mortgages payable for funds borrowed, and (7) mortgages payable on assets acquired in liquidation of portfolio securities. Such liabilities shall be grouped by the foregoing categories; and described in column (2), but subtotals are not required. Guaranteed loans purchased by SBA represent loans, originally financed by banks, which have been transferred to SBA through reassignment, transfer and delivery of notes to SBA.

The interest rate and other terms of each obligation shall be recorded in columns (3) and (4); the unpaid balance at the beginning of the fiscal year and additions and deductions during the period shall be shown in columns (5), (6), and (7); and the balance payable at the close of the period, segregated between (a) amounts owed to or guaranteed by SBA for funds borrowed and (b) amounts owed to others for funds borrowed and/or amounts representing mortgages payable on assets acquired in liquidation of portfolio securities, shall be reflected in columns (8) and (9). The information contained in columns 5 through 9 is based on accounts 300 through 320.

M. Schedule 15—Capital stock of licensee. Furnish in this schedule a complete description of the company's capital stock authorized, capital stock issued and outstanding, data relating to special transactions involving capital stock.

In column (1) shall be described the type and class of each issue, such as common-\$5 par, preferred (7 percent Series of 1969), etc. The par value or, for no-par stock, the stated value shall also be reported in column (1).

The number of shares authorized, whether issued or not, shall be reported in column (2).

The number of shares and amount, at par or stated value, of stock issued and not retired or cancelled shall be reported in columns (3) and (4). The total of column (4) shall agree with item 41 of the Statement of Financial Position. The number of shares held as treasury stock shall be shown in column (5). Column (6) will represent the difference between column (3) and column (5).

Column (7) shall be the amount at par or stated value representing the number of shares outstanding as shown in column (6). The total of column (8) shall represent the amount of capital stock subscribed at the subscription price.

In column (9) shall be reported the amount of subscriptions receivable.

Column (10) shall show the number of shares (other than those under option) reserved for purchase by officers and employees, and column (11) shall show the number of shares reserved to cover options and other rights.

The information reported in this schedule is based on accounts 400 through 419.

N. Schedule 16—Options on licensee's capital stock. Furnish in this schedule full information concerning outstanding capital stock options which have been granted by the company.

The holder of each option shall be identified in column (1). The number of shares optioned shall be shown in column (2). In column (3) shall be described the type and class of stock called for by the option, such as common \$5 par, preferred (7 percent Series of 1969), etc.

Column (4) shall show the grant and expiration dates of each option and column (5) shall set forth the price or prices at which each option is exercisable, together with the period during which each price applies.

Column (6) shall show the fair market value, per share, of stock called for by each option, at the date the option was granted. The price at which the option is exercisable as a percentage of fair market value, per share, of the optioned stock at the date of granting shall be shown in column (7). Column (8) shall set forth the provisions made with respect to each option in the event of the optionee's death or retirement, or other circumstances.

The fair market value, per share, of stock called for at the date the option was granted, if not ascertainable on the basis of actual market, shall be as determined by the board of directors in good faith.

The information reported on this schedule is based on memorandum account OCS-1.

O. Schedule 17—Shareholders, officers, and directors of the licensee. Furnish in this schedule the information as required by the form regarding equity securities issued by the licensee and regarding the licensee's officers, directors and manager.

In column (1) list: (a) Each person or company directly or indirectly owning, controlling, or holding with power to vote, 5 percent or more of the outstanding voting securities of the company.

(b) Each person or company owning of record or being known to own beneficially more than 10 percent of any other class of equity securities of the company.

(c) Each officer, director, or manager of the licensee. (List and identify officers and directors, and manager regardless of whether or not they own any equity securities of the company.)

Show in column (2) whether each natural person listed in column (1) is an officer, director, manager of the licensee or specific combination of any of the three and the total remuneration for the period received by each from the licensee. Indicate the column (3) the type of business in which each listed person or company is engaged. Column (4) shall show the title of each class of stock owned by any person or company and column (5) shall indicate whether the securities of the specific class are owned both of record and beneficially, of record only, or beneficially only.

In columns (6), (7), and (8), respectively, show the number of shares of each class owned by each listed person or company, the total par or stated value of such shares, and the percentage of the total number of shares of this class outstanding which is represented by the shares owned by the particular person or company.

Summarize the foregoing information by class of equity security at the bottom of the schedule.

P. *Schedule 18—Actual loss experience on receivable, loans, and investments.* Furnish in this schedule by categories shown, the amount of loss experienced on loans and investments as well as receivables resulting from income realization. The loss experience will be stated by prior years experience and the actual loss experience during the current period. The amounts shall be rounded to the nearest thousand.

Schedule 18 is the basis for determining the loss experience of the industry.

Q. *Management certification.* The certification of the Annual Report, SBA Form 468, shall bear the signature of the chief financial officer of the licensee, or other officer authorized by the board of directors to sign in the event the chief financial officer is unavailable. The Corporate Secretary of the licensee shall attest by signature to the fact that the minutes of a meeting of the board of directors show that the Annual Report, SBA Form 468, has been reviewed and approved by the board of directors. The date on which each signature is affixed shall be shown. All signatures on all copies of the Annual Report, SBA Form 468, submitted to SBA shall be original signatures in ink.

8. Appendix C—*System of Account Classification* is added and reads as follows.

APPENDIX C—SYSTEM OF ACCOUNT CLASSIFICATION

- I. Introduction.
 - A. Statement of policy.
 - B. Purpose of the System.
 - C. Maintenance and retention of records.
- II. Accounting policies and practices.
 - A. Accrual basis of accounting.
 - B. Accounting and reporting loans and investments on the value basis.
 - C. Equity method of accounting.
 - D. Management consulting subsidiary.
 - E. Tax allocation policy.
 - F. Accounting for dividend and interest income.
- G. Profit sharing.
- H. Financing discounts and fees.
- I. Realization of gain (loss) on sale of securities.
- J. Unrealized gain (loss) on securities held.
- K. Undistributed realized earnings.
- L. Accounting for non-monetary transactions.
 1. Loan and investment transactions.
 2. Dividends and "spin offs".

M. Special policies applying to 301(d) licensees.

1. Interest "subsidy" on debentures.
2. Three percent non-voting preferred stock purchased by SBA.
3. Capitalized operating expenses.
- N. Allowances for losses on loans and investments
- III. Chart of accounts.
 - A. Account numbering system.
 - B. Additional accounts.
 - C. Primary classification of accounts.
 - D. Detail chart of accounts.
- IV. Description of accounts.

I. INTRODUCTION

A. *Statement of policy.* Small Business Investment Companies (SBICs) licensed by the Small Business Administration (SBA) including 301(d) licensees are to maintain their books of account in accordance with the system of account classification and accounting principles herein prescribed. Accounting principles and practices set forth herein are in accordance with generally accepted accounting principles as set forth by the American Institute of certified public accountants for investment companies.

The system of account classification is adaptable to manual or machine accounting procedures employing the double-entry method of accounting, and is otherwise designed to meet the specific needs of companies licensed in accordance with the provisions of the Small Business Investment Act of 1958, as amended.

Nothing contained in this system of account classification can or is intended to authorize or approve any operation or action by a licensee, or any other action, not authorized or approved by the Small Business Investment Act of 1958, as amended, or the Rules and Regulations promulgated thereunder.

This system of Account Classification was prepared by the SBA. Any inquiries or comments relating to the system should be directed to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street, NW., Washington, D.C. 20416.

B. *Purpose of the System.* This system has been prescribed to insure that standard books of account are maintained by licensees and that uniform accounting policies are followed. By design, the system is basic and may be expanded by a licensee if necessary.

C. *Maintenance and retention of records.* The licensee's books and records shall be maintained at its principal place of business. Books and records shall include its books of account, and other records, and memoranda which support the entries in its books of account. These supporting records shall be maintained in such manner as to be able readily to furnish information on any item included in any account. The books and records referred to herein include not only accounting records in a limited technical sense, but other records, such as minute books, capital stock records, reports, correspondence, and memoranda which may be useful in developing the history of, or facts regarding, any transaction.

Complete records of nominal assets and contingent liabilities must be maintained. This is especially true with respect to (1) outstanding commitments to finance small business concerns through loans to them or the acquisition of their equity securities and to make funds available to other lenders through deferred participations, and (2) outstanding guarantees under which the company is contingently liable to lending institutions in connection with obligations of portfolio concerns. A section providing for the maintenance of appropriate memorandum records is included herein, covering nominal

assets, contingent liabilities, options on the capital stock of the Small Business Investment Company, and the actual loss experience of the company.

Section 107.1102 of SBA rules and regulations specifies the time period licensee's records are to be maintained.

II. ACCOUNTING POLICIES & PRACTICES

As a general rule, accounting policies followed by licensees are those promulgated by the American Institute of CPA's as generally accepted accounting principles and practices. Certain of these principles and practices are prescribed in the AICPA's audit guide.

The significant accounting policies licensees are to follow are summarized below. The summary is intended to highlight the more important accounting policies and practices rather than being an all inclusive statement.

A. *Accrual basis of accounting.* Books of account shall be maintained on an accrual basis and, at the end of each month transactions shall be posted to the General Ledger. Entering in the records and posting to the General Ledger of accruals applicable to each month is optional but all accruals are to be entered in the records and posted as the end of the fiscal year, and as of such other dates as mark the close of periods to be covered by interim or special financial reports required to be furnished to SBA.

B. *Accounting and reporting loans and investments on the value basis.* Loans and investments will be recorded at cost. However, unrealized appreciation or depreciation of such securities will be recognized in the accounts and as such will result in fair value accounting for loans and investments.

The practice of valuing loans and investments and reflecting in the accounts the resulting unrealized gain (loss) on such securities held has been expressed by the American Institute of CPA's as being a generally accepted accounting practice for investment companies. Accordingly, this practice is being adopted by SBICs.

The adoption of this practice causes unrealized appreciation on loans and investments to be recognized in the accounts. Unrealized depreciation, essentially allowance for losses, has always been recognized. An appropriate tax provision will be established for net unrealized appreciation or depreciation on securities held.

C. *Equity method of accounting.* The carrying value of equity interests in unincorporated concerns will be determined by the equity method of accounting. However, for valuation purposes, the fair value basis of accounting will be used for the equity interest in unincorporated concerns.

The equity method of accounting will also apply to the investment in 301(d) licensees. Accordingly, an SBIC's investment account will be adjusted for its proportionate share of net income (loss) of such investee as well as dividends paid by the investee. The results will be an investment carried at the book value of such stock.

D. *Management consulting subsidiary.* According to § 107.601(c) of SBA regulations, consolidated financial statements are to be submitted to SBA when a licensee has a management consulting subsidiary. Although no provision has been made in the system of accounts for management consulting subsidiaries, books of account are to be maintained for the subsidiaries so as to properly account for its financial position and result of operations. Such accounts should also be compatible with this system of accounts.

Consolidated statements will include only the licensee and the management consulting subsidiary. Other subsidiaries are not to be reported on a consolidated basis.

E. Tax allocation policy. Tax allocation policies as set forth in Accounting Principals Board Opinion No. 11, *Accounting for Income Taxes*, effective December 31, 1967, will be followed by licensees in accounting for income taxes.

A difference between the amount of gain or loss recognized for tax purposes and that recognized for accounting purposes may constitute a timing difference to be accounted for according to APB Opinion No. 11.

Such differences will result in either deferred credits or deferred charges to future income taxes.

F. Accounting for dividend and interest income. 1. *Dividend Income.* As a general rule, cash dividends on investment securities are recorded as of the record date. Occasionally, cash distributions represent a return of capital rather than current income to the recipient Licensee. In such cases, the distributions should be credited to the investment account rather than to income.

Stock splits and dividends in stock of the same class as that owned, are not recorded as income since the Licensee's equity interest in the company declaring the dividend or split has not changed.

Dividends in kind are generally recorded as income at the fair value of the property received. When the recipient Licensee has the option to receive cash or stock, income should be recorded for the amount of cash that could have been received. When stock rights are received, a portion of the cost basis of the related investment may be allocated to the rights on a pro rata cost basis.

2. *Interest Income.* Interest Income will be accrued accordingly to terms of interest bearing loans and investments. Interest will not be accrued if the ability of the small business concern to pay such accrued interest is doubtful. Indicators of uncollectible accrued interest are when the SBC is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Other indicators are when principal and/or interest payments are in default more than 6 months or when the Board of Directors values the security below cost and considers collection to be doubtful.

Unearned premiums or discounts are an adjustment of interest income and are to be amortized over the stated life of the debt instrument on a straight line basis.

Interest on invested idle funds is usually accrued on a monthly basis and discounts are an adjustment of the interest rate.

G. Profit sharing. As a general rule, profit sharing with the financed concern is an adjustment of the interest rate. An exception to this rule is when the licensee makes an investment in an unincorporated concern which takes the form of an equity interest rather than a loan and the financed concern treats the profit sharing as an equity distribution rather than an expense.

H. Financing discounts and fees. Discounts on debt instruments resulting from financings made to small business concerns are considered an upward adjustment of the interest rate and are to be amortized over the stated life of the instrument on a ratable basis. Accordingly, the discount is considered earned as it is amortized.

Fees, as a general rule, are considered earned at the time of financing since they are for services rendered in connection with the financing. To the extent fees are for services to be rendered in the future, such amount will be considered unearned until the services are performed at which time such fees will be considered earned.

I. Realization of gain (loss) on sale of securities. In accordance with the accrual basis of accounting, gain or loss on sale of securities or other assets of a licensee will be realized at the time of sale rather than at

the time of collection. This practice assumes that the sale represents a final transaction, that the collectibility of the gain is reasonably assured and that the earnings process is complete, i.e., the licensee is not obligated to perform significant activities after the sale in order to earn the gain. Accordingly, this practice of recognizing gain is in accordance with generally accepted accounting principles.

Any transaction with recourse upon the licensee or involving any understanding, agreement, option, privilege, or other rights to repurchase by and/or resell to the Licensee may not be considered as a final transaction. Any reacquisition of the securities by the Licensee, resulting from prior agreements or rights, shall be construed by SBA as a nullification of the original sale transaction.

Any gain on sale of securities which does not qualify as realized gain in accordance with the foregoing shall be deferred pending such realization.

When part of the net sales price is other than cash, gain will be realized at the time of sale unless the sale is not a final transaction or unless collection of the proceeds is not reasonably assured. However, such non-cash gains will be restricted in the sense that they will be unavailable for capitalization or dividend distribution until converted to cash. When collected, application of cash will first be made to the recovery of the licensee's cost of securities sold and then to gain, i.e., the cost recovery method.

Losses are recognized at the point of sale and are shown as a reduction of undistributed net earnings realized. They have no effect on non-cash gains.

Cost of securities sold is usually the carrying value of such assets on the licensee's books. Occasionally, a licensee will acquire shares of an investee's stock (which shares are of the same class) at different times and prices. The average cost method of determining cost of such securities when sold is preferred. If a basis other than the average cost method is used, the difference (if material) in gain (loss) between that determined on the average cost method and that on the method actually used should be disclosed.

J. Unrealized gain (loss) on securities held. Unrealized gain (loss) on securities held results from the licensee's director's valuation of Loans and Investments. Unrealized appreciation represents the valuation above cost and unrealized depreciation represents valuation below cost. After considering an appropriate provision for taxes, the net amount will be "unrealized gain (loss) on securities held."

The Statement of Operations measures the realized activities of a licensee that can be objectively measured. Unrealized gain (loss) on securities held is in many ways a subjective determination by a licensee; therefore, measurement in a separate statement would be most appropriate with the final results being reflected in the equity section of the Statement of Financial Position. Accordingly, unrealized gain (loss) on securities held will be measured separately in the equity accounts rather than being a measurement of earnings. Such accounting treatment is not at variance with Accounting Principles Board Opinion No. 9, *Reporting the Results of Operations*, issued by the AICPA and effective December 31, 1966, or with accounting practices set forth in the AICPA Audit Guide for Investment Companies as applied to SBICs.

K. Undistributed realized earnings. Undistributed realized earnings will encompass all realized earnings whether in cash or non-monetary receipts such as notes receivable, stock, etc. Earnings realized in other than cash will not be available for dividend declaration or otherwise made available for

capitalization until converted to cash. Therefore, non-cash gains on sale of securities will be restricted until converted to cash. Gain or loss of securities held is unrealized and, therefore, not measured in undistributed earnings.

L. Accounting for non-monetary transactions. Non-monetary transactions involve both reciprocal and nonreciprocal transfers of assets or liabilities not involving cash between the licensee and another entry or person, or between the licensee and its stockholders. Accounting principals Board Opinion No. 29, issued by the AICPA and effective October 1, 1973, should be followed by licensees to the extent applicable when accounting for non-monetary transactions.

1. *Loan and investment transactions.* Non-monetary exchanges with portfolio concerns or others whereby the licensee transfers certain securities or assets for other securities or others whereby the licensee transfers elsewhere gain (loss) is realized whether such transactions are taxable or non-taxable exchanges. The accounting basis for assets received will be the same basis as assets transferred and unrealized gain (loss) on securities held will be the result of the valuation process.

2. *Dividends and spin-offs.* Dividends in kind are nonreciprocal transfers of non-monetary assets to owners and should be accounted for at fair value if such fair value is objectively measurable and would be clearly realizable to the licensee in an outright sale at or near the time of distribution. Otherwise, the transfer should be accounted for at cost without realizing a gain (loss). The average cost method will be used in determining cost of dividends in kind.

M. Special policies applying to 301(d) licensees.—1. *Interest "subsidy" on debentures.* During the first five years on debentures of 301(d) licensees purchased by SBA, Section 317 of the Small Business Investment Act of 1958, as amended, provides for an effective rate of interest that is 3 percent below the rate determined pursuant to section 303(b) of the Act, so long as the effective rate charged is not less than 3 percent. Before such licensee can make a distribution other than to SBA, however, an amount equal to the "subsidy" must be paid to SBA.

The interest subsidy should be treated as a contingent liability until it is known that a distribution will occur. During the period such a determination is made, the subsidy should be recognized as an expense with a corresponding liability being recorded.

2. *Three percent non-voting preferred stock purchased by SBA.* Although considered leverage funds, preferred stock purchased by SBA of 301(d) licensee is treated like other equity securities for accounting purposes. Dividends on such stock receive the conventional treatment of dividends and are declared and paid out of "retained earnings."

3. *Capitalized operating expenses.* Frequently, 301(d) licensees that have parent companies will be allowed to increase capital by transfers of allocated operating expenses incurred on the part of the licensee but paid for by the parent company. Another form of the same type of transaction exists when the parent company increases private capital of a subsidiary licensee by a cash transfer which funds are designated to be used for budgeted operating expenses.

Such transfers whether monetary or non-monetary will be expenses rather than being treated as an asset on the basis that they have no future value.

N. Allowance for losses on loans and investments. The value basis of accounting does not contemplate a general allowance for losses on loans and investments as does the cost basis. Rather, value accounting requires the licensee's Board of Directors to value

each loan and investment as of the statement date. Where value is determined to be less than cost, unrealized depreciation will result. To the extent that such unrealized depreciation represents an expected loss, an allowance for losses should be established. It should be noted, however, that the adoption of value accounting will have no effect on the licensee's reserve for losses for tax purposes (see I.R.C. 586).

As under the cost basis, differences in accounting income and taxable income will occur and will be measured as deferred credit or deferred charge to future income taxes. For example, a licensee may, under either accounting basis, establish an allowance for loss on stock, warrants or other types of equity investments. For tax purposes, however, such allowances may not be taken. In such cases, the difference between accounting for statement purposes and tax purposes is reflected as a deferred charge. Similarly, when a general allowance for loss is established on loans on debt securities, income for tax purposes will be greater than for statement purposes and the difference will be reflected as a deferred credit.

III. CHART OF ACCOUNTS

A. *Account numbering system.* This system provides for two-digit number designations for major categories under which accounts are listed, and three-digit number designations for individual general ledger accounts. The first two digits of an individual account number refer to the major category under which the account is classified and the third digit identifies the specific account. Digits from zero through nine are used to identify specific accounts. For example, the first deposit bank account established will be designated "100" and the second "101." It will be noted that some categories encompass individual accounts in sufficient number to require assignment of more than one two-digit number to identify the category. For example, "Cash on Hand and in Banks" has been assigned category numbers "10," "11," and "12."

B. *Additional accounts.* Licensees may incorporate such additional accounts into their accounting system that are considered necessary.

Any account may be subdivided provided that such subaccounts do not impair the integrity of the accounts set forth in the prescribed system. Subaccounts shall refer by number and title to the accounts which they apply. Use of a decimal system is required for extending the account numbers to identify such subaccounts.

C. *Primary classification of accounts.* The primary classification of accounts is as follows:

GENERAL LEDGER

Account Nos.:	Description
100 to 299-----	Asset and valuation accounts.
300 to 399-----	Liability accounts.
400 to 499-----	Capital accounts.
500 to 599-----	Income accounts.
600 to 799-----	Expense accounts.

MEMORANDUM RECORDS

NA-10 to NA-14..	Nominal assets.
CL-15 to CL-17..	Contingent liabilities.
OCS-1-----	Options on company's stock.
AL-1-----	Actual (realized) losses.

D. *Detail chart of accounts.* The detail chart of accounts is organized according to the primary classification of accounts and identifies the account number and title of each account. The page where a description of the account can be found is indicated at the right of the account title.

ASSET AND VALUATION ACCOUNTS

- 10-12 *Cash on hand and in banks*
- 100-108 Deposits in ----- bank.
- 110-112 Deposits in imprest account in ----- bank.
- 118 Cash items in process of collection.
- 120 Petty cash fund.
- 13 *Invested idle funds*
- 130 U.S. Government obligations, direct and fully guaranteed.
- 131 Insured savings accounts.
- 135-137 Time certificates of deposit in ----- bank.
- 14 *Receivables*
- 140 Notes receivable.
- 141 Accounts receivable.
- 142 Allowance for uncollectible notes and accounts receivable.
- 143 Accrued interest receivables.
- 144 Allowances for uncollectible interest receivable.
- 145 Dividends receivable.
- 15 *Current maturities and other current assets*
- 150 Current maturities on portfolio securities.
- 152 Current maturities on assets acquired in liquidation of portfolio securities.
- 153 Current maturities on operating concerns acquired.
- 154 Current maturities on other securities.
- 156 Other current assets.
- 16 *Investment in 301(d) licensee*
- 160 Investment in 301(d) licensee.
- 17 *Loans to small business concerns*
- 170 Loans.
- 171 Appreciation of loan values.
- 172 Depreciation of loan values.
- 173 Unearned discount, fees, and other charges on loans.
- 18 *Debt securities of small business concerns*
- 180 Debt securities, convertible, and with stock purchase warrants or options.
- 184 Debt securities divested of stock rights.
- 186 Appreciation of debt securities of SBCs.
- 187 Depreciation of debt securities values.
- 188 Unearned discount, fees, and other charges on debt securities.
- 19 *Equity interests of SBCs*
- 190 Capital stock of SBCs, convertible, and with stock purchase warrants or options.
- 191 Capital stock of SBCs—other.
- 192 Appreciation of capital stock of SBCs.
- 193 Depreciation of capital stock values.
- 194 Equity interests of unincorporated concerns.
- 195 Appreciation of equity interests in unincorporated concerns.
- 196 Depreciation of equity interests in unincorporated concerns.
- 197 Warrants, options, and other stock rights acquired from SBCs.
- 198 Appreciation of warrants, options, and other stock rights acquired from SBCs.
- 199 Depreciation of warrants, options and other stock rights acquired from SBCs.
- 20 *Assets acquired in liquidation of portfolio securities*
- 200 Receivables from debtors on sale of assets acquired in liquidation of portfolio securities.
- 203 Depreciation in values of receivables from debtors on sale of assets acquired in liquidation of portfolio securities.

- 204 Assets acquired in liquidation of portfolio securities.
- 205 Appreciation on assets acquired in liquidation of portfolio securities.
- 206 Depreciation of assets acquired in liquidation of portfolio securities.
- 21 *Operating concerns acquired*
- 210 Operating concerns acquired.
- 211 Appreciation of operating concerns acquired.
- 212 Depreciation of operating concerns acquired.
- 22 *Other securities*
- 220 Notes and other securities received on sale of portfolio securities.
- 221 Other securities received.
- 222 Appreciation of other securities.
- 223 Depreciation of other securities.
- 23 *Prepaid expenses and deferred charges*
- 230 Prepaid expenses.
- 231 Deferred charges.
- 24 *Furniture and equipment*
- 240 Furniture and equipment.
- 241 Accumulated depreciation on furniture and equipment.
- 25 *Corporate premises owned*
- 250 Corporate premises owned.
- 251 Accumulated depreciation on corporate premises owned.
- 252 Leasehold improvements.
- 26 *Other assets*
- 265 Amounts due from directors, officers, and employees.
- 266 Organization costs.
- 267 Funds in escrow.
- 269 Other assets.
- LIABILITY ACCOUNTS
- 30 *Notes and other obligations payable to SBA for funds borrowed*
- 300 Notes payable to SBA.
- 301 Debentures payable issued to SBA.
- 31 *Notes and other obligations payable to other than SBA for funds borrowed*
- 310 Notes payable to other than SBA—guaranteed by SBA.
- 311 Notes payable to other than SBA—not guaranteed by SBA.
- 312 Mortgages payable for funds borrowed.
- 313 Mortgages payable on assets acquired in liquidation of portfolio securities.
- 32 *Notes payable—Other*
- 320 Notes payable—other.
- 33 *Current maturities of long-term debt*
- 330 Current maturities of notes and debentures payable to or guaranteed by SBA.
- 331 Current maturities of notes and debentures payable to others not guaranteed by SBA.
- 34 *Accounts payable*
- 340 Accounts payable.
- 35 *Accrued expenses and other current liabilities*
- 350 Accrued interest payable.
- 351 Accrued taxes.
- 354 Estimated income taxes accrued.
- 358 Other current liabilities.
- 36 *Dividends payable*
- 360-364 Dividends payable on (Type and class) capital stock.
- 37 *Trust receipts*
- 370 Employee taxes withheld.
- 374 Unapplied receipts.
- 378 Miscellaneous trust receipts.

RULES AND REGULATIONS

38 *Deferred credits*

- 380 Deferred Credit to future income taxes.
383 Other deferred credits.

39 *Other liabilities*

- 390 Other liabilities.

CAPITAL ACCOUNTS

40-41 *Capital stock*

- 400-404 (Type and class) capital stock authorized.
405-409 (Type and class) unissued capital stock.
410-411 (Type and class) capital stock subscribed.
413-414 Capital stock subscriptions receivable (type and class).
415-419 Treasury stock (Type and class).
42 *Paid-in surplus*
420 Paid-in surplus.

43-3 *Percent preferred stock (301(d) licensees only)*

- 430 3 percent preferred stock, cumulative, non-voting issued to SBA.
44 *Unrealized gain (loss on securities held)*
440 Unrealized appreciation on loans and investments.
445 Unrealized depreciation on loans and investments.
448 Estimated taxes on net realized gain (loss) on securities held.

45 *Undistributed realized earnings*

- 450 Non-cash gains on sale of securities.
451 Undistributed net realized earnings.

46 *Profit and loss clearing*

- 460 Profit and Loss summary
461 Realized gain and loss summary in cash.
462 Non-cash realized gain summary.

INCOME ACCOUNTS

50 *Commitment income*

- 500 Commitment income.

51-52 *Interest income*

- 510 Interest on invested idle funds.
512 Interest on loans.
516 Interest on debt securities.
520 Interest income—other.

53 *Fee income*

- 532 Management service fees.
534 Investigation and service fees charged other lenders.
536 Application and appraisal fees.

54 *Dividends and other earnings*

- 540 Dividends on capital stock of SBCs.
541 Sharings in income or revenue of SBCs.

57 *Gain on securities and other assets*

- 570 Gain on U.S. Government securities.
571 Gain on loans.
572 Gain on debt securities.
574 Gain on capital stock of SBCs.
575 Gain on equity interest of unincorporated SBC.
576 Gain on warrants, options, and other stock rights acquired from SBCs.
577 Gain on assets acquired in liquidation of portfolio securities.
578 Gain on operating concerns acquired.
579 Gain on other assets.

58 *Miscellaneous income*

- 582 Income from assets acquired in liquidation of portfolio securities.
584 Other income.

EXPENSE ACCOUNTS

60 *Commitment expense*

- 600 Commitment expense.

61-62 *Interest expense*

- 610 Interest on obligations payable to SBA.
622 Interest on obligations payable to other than SBA.

64 *Stock record and other financial expenses*

- 642 Stock record and other financial expenses.

65-67 *Operating expenses*

- 650 Advertising and promotional costs.
651 Appraisal and investigation costs.
652 Auditing and examination costs.
653 Communications.
654 Cost of space occupied.
655 Depreciation of corporate premises owned, furniture, and equipment.
656 Amortization of leasehold improvements.
657 Directors' and stockholders' meetings costs.
658 Insurance.
659 Management services fees.
660 Investment adviser costs.
661 Legal services.
663 Salaries.
664 Taxes, excluding income taxes.
665 Travel.
670 Employee benefits expense.
672 Amortization of organization expense.
679 Miscellaneous operating expenses.

68 *Estimated losses on receivables*

- 680 Estimated losses on receivables.

70 *Loss on securities and other assets*

- 700 Loss on U.S. Government securities.
701 Loss on loans.
702 Loss on debt securities.
704 Loss on capital stock of SBCs.
705 Loss on equity interests of unincorporated concerns.
706 Loss on warrants, options, and other stock rights acquired from SBCs.
707 Loss on assets acquired in liquidation of portfolio securities.
708 Loss on operating concerns acquired.
709 Loss on other assets.

71 *Miscellaneous expenses*

- 710 Expense on assets acquired in liquidation of portfolio securities.
715 Other expenses.

72 *Income taxes*

- 720 Income taxes—net income.
722 Income taxes—net realized gain on investments.

MEMORANDUM RECORDS

Nominal Assets

- NA-10 Stock purchase warrants or options on stock of SBCs.

Contingent Liabilities

- CL-15 Commitments outstanding.
CL-16 Guarantees outstanding.
CL-17 Other contingent liabilities.

Options on company's stock

- OCS-1 Options on company's stock.

Actual Loss Experience

- AL-1 Actual (realized) losses.

IV. DESCRIPTION OF ACCOUNTS

ASSET AND VALUATION ACCOUNTS

100-108 *Deposits in ----- bank.*

These accounts will represent funds on demand deposit in banks which are members of the Federal Deposit Insurance Corporation.

Debit:

- (a) With amount of funds deposited.

Credit:

(a) With amount of funds withdrawn, and charges made by bank for such items as dishonored checks, transfer of funds by wire, collection, exchange, etc.

110-112 *Deposits in imprest account in ----- bank.*

These accounts will represent funds on demand deposit in imprest bank accounts to be drawn upon for the payment of operating expenses and to be reimbursed periodically through deposit therein of a check requiring dual signatures and drawn on the company's general funds bank account.

Debit:

- (a) With amount of funds deposited.

Credit:

- (a) With amount of funds withdrawn.

118 *Cash items in process of collection.*

This account will represent the amount of cash items placed with banks for collection.

Debit:

- (a) With amount of such items placed with banks for collection.

Credit:

- (a) With amount of items collected.
(b) With amount of uncollected items returned or withdrawn.

120 *Petty cash fund.*

This account will represent the imprest petty cash fund maintained for the purpose of making small disbursements.

Debit:

- (a) With amount placed in the fund when established.

- (b) With amount of increase in the fund.

Credit:

- (a) With amount of decrease in the fund.

Note: The petty cash fund may be reimbursed and expenditures recorded as often as circumstances require, but must be reimbursed at the close of the company's fiscal year. Checks to replenish the fund will be drawn on a general fund bank account and include "petty cash" as a payee. Debits totaling the amount of this replenishment should be made concurrently to the appropriate accounts.

130 *United States Government obligations, direct and fully guaranteed.*

This account will represent the cost of temporary investments made from general cash funds in direct obligations of the United States Government and obligations guaranteed as to principal and interest by the United States Government. When United States Government Savings Bonds redeemable at par value on maturity are purchased at less than face value, the increase in redemption value may be periodically charged to this account with concurrent credit to account No. 510—Interest on invested idle funds.

Debit:

- (a) With cost of such securities acquired.
(b) With increase in redemption value of United States Savings Bonds.

Credit:

- (a) With redemption value of United States Savings Bonds redeemed.
(b) With cost of such securities sold or disposed of otherwise.

Note: Increase in value over cost of United States Treasury bills, which are issued at a discount and are noninterest bearing, will not be reflected in this account but will be debited to account No. 143—Accrued interest receivable, with concurrent credit to account No. 510—Interest on invested idle funds.

(See accounts Nos. 570 and 700)

131 *Insured savings accounts.*

This account will include the balances in subaccounts Nos. 131.1, 131.2, etc.

131.1 *Insured savings in -----*

This account will represent funds invested in an insured savings account (up to the amount of the insurance) in an institution the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

Debit:

- (a) With amount of funds invested.
- (b) With amount of dividends earned on such invested funds.

Credit:

- (a) With amount of funds withdrawn.
- 135-137 Time certificates of deposit in bank.

These accounts will represent funds in Time Certificates of Deposit, maturing not later than one year after issuance, in banks which are members of the Federal Deposit Insurance Corporation.

Debit:

- (a) With amount of funds deposited.

Credit:

- (a) With amount of funds withdrawn.

140 Notes receivable.

This account will represent the unpaid balance of miscellaneous notes receivable, such as notes for management consulting services. Notes representing amounts due from debtors on sale of assets acquired in liquidation of portfolio securities will be reflected in account No. 200.

Debit:

- (a) With amount of such miscellaneous notes received.

Credit:

- (a) With amount collected on principal of such miscellaneous notes.
- (b) With unpaid principal balance written off or disposed of otherwise.

NOTE: Recording as income of amounts entered in this account should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the debtor small business concern is in default more than 6 months to the licensee, or the fair value of its debt or equity instruments held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the receivable entered in this account, or, as an alternative, the receivable recorded as an asset should be concurrently credited as deferred income to account No. 383 as above indicated.

(See account No. 142)

141 Accounts receivable.

This account will represent the amount due on open account for management consulting, appraisal, and miscellaneous services rendered; and miscellaneous current receivable.

The account also will include the amount of accrued compensation receivable for services rendered to "participating" companies and the amount of accrued commitment fees receivable for making funds available on a deferred basis to small business concerns and to "initiating" companies in connection with the latter's financing of small business concerns.

Accounts receivable representing receivables due from debtors on sale of assets acquired in liquidation of portfolio securities will be reflected in account No. 200.

Debit:

- (a) With amount due the company.

Credit:

- (a) With amount collected.
- (b) With amount written off or disposed of otherwise.

NOTE: Recording as income of amounts entered in this account should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the debtor small business concern is in default more than 6 months to the licensee, or the fair value of its debt or equity instruments held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the receivable entered in this account, or, as an alternative, the receivable recorded as an asset should be concurrently credited as deferred income to account No. 383 as above indicated.

(See account No. 142)

142 Allowance for uncollectible notes and accounts receivable.

This account will represent the valuation reserve provided for estimated losses on notes and accounts receivable and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands, so that this account will reflect the best available estimate of probable losses on notes and accounts receivable.

Debit:

- (a) With amount of decreases in such reserve.
- (b) With amount of notes and accounts receivable written off.

Credit:

- (a) With amount of such reserve established.
- (b) With amount of increase in such reserve.
- (c) With amount of recoveries on notes and accounts receivable written off.

NOTE: When a note receivable or an account receivable is recorded with respect to any debtor small business is in default more than 6 months to the licensee, or the fair value of whose debt or equity instruments held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable reflected in this account should be made in an amount equivalent to the recorded receivable, or, as an alternative, the amount of the receivable recorded as an asset should be concurrently credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting.

(See accounts Nos. 140, 141 and 680)

143 Accrued interest receivable.

This account will represent the amount of interest accrued on portfolio loans to and debt securities of small business concerns, United States Government obligations, direct and fully guaranteed, notes receivable, sales contracts, and other interest-bearing amounts due from debtors, including funds placed in escrow pending the closing of financing and assets acquired in liquidation of portfolio securities as well as interest accrued on other securities.

Debit:

- (a) With amount of interest accrued on all items covered by this account.

Credit:

- (a) With amount of interest payments received.
- (b) With amount of accrued interest transferred to assets acquired in liquidation of loans and debt securities.
- (c) Upon disposition of interest-bearing obligations, with amount of accrued interest thereon included in this account.
- (d) With amount of accrued interest written off or disposed of otherwise.

NOTE 1: At the option of the company, interest payments received in cash from debtors prior to the interest maturity date may be credited to account No. 374—Unapplied receipts, until the maturity date.

NOTE 2: Accrual of interest receivable should be discontinued with respect to any loan or debt security financing a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be treated as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the licensee, or the fair value of the loan or debt security as determined in good faith by the Board of Directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrual of interest receivable, or, as an alternative, the interest income should be deferred in account No. 383 as above indicated.

(See account No. 144)

144 Allowance for uncollectible interest receivable.

This account will represent the valuation reserve provided for estimated losses of accrued interest receivable, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands, so that this account will reflect the best available estimate of probable losses of accrued interest receivable.

Debit:

- (a) With amount of decreases in such reserve.
- (b) With amount of accrued interest receivable written off.

Credit:

- (a) With amount of such reserve established.
- (b) With amount of increases in such reserve.
- (c) With amount of recoveries of accrued interest receivable written off.

NOTE: When interest receivable is accrued under circumstances in which the financed small business concern is in default over six months to the licensee, or the fair value of the loan or debt security as determined in good faith by the Board of Directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable reflected in this account should be made in an amount equivalent to the accrual of interest receivable, or, as an alternative, the interest income should be deferred in account No. 383—Other deferred credits, pending determination of the appropriate accounting.

(See accounts Nos. 143 and 680)

145 Dividends Receivable.

This account will represent cash dividends that have been declared on capital stock of

small business concerns but have not been distributed to stockholders.

Debit:

(a) With amount due the licensee of cash dividend declared.

Credit:

(a) With amount distributed to the licensee of the dividend declared.
(See account 540)

NOTE 1: Stock splits or dividends in stock of the same class as that owned are not recorded as dividend receivable and also income because the licensee's equity interest in the company declaring the dividend or split has not changed.

Therefore, stock splits or dividends will be measured in the appropriate investment account.

(Account 190 or 191)

NOTE 2: Dividends in kind will be recorded as income at the fair market value of the securities received and will be recorded in account no. 221, Other securities received.

150 Current Maturities of Portfolio Securities.

This account will represent the principal amounts due the licensee on a cost basis of loans and debt securities of small business concerns that are reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

(a) With amount of current maturities collected by the licensee.

(b) With amount not considered collectible on a current basis and restored to loan or debt security accounts.

(See accounts Nos. 170, 180, and 184)

152 Current Maturities on Assets Acquired in Liquidation of Portfolio Securities.

This account will represent the current principal amounts due the licensee on a cost basis of amounts due from debtors on sale of assets acquired; or the current principal amounts of their debt instruments that are classified as assets acquired in liquidation of portfolio securities.

This account will represent only those amounts reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

(a) With amount of current maturities collected by the licensee.

(b) With amount not considered collectible on a current basis and restored to the appropriate asset acquired in liquidation of portfolio securities account.

(See accounts Nos. 200, 204.)

153 Current Maturities on Operating Concerns Acquired.

This account will represent the principal amounts due the licensee on a cost basis of debt instruments classified as operating concerns acquired that are reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

(a) With amount of current maturities collected by the licensee.

(b) With amount not considered collectible on a current basis and restored to other securities accounts.

(See account No. 210)

154 Current Maturities on other Securities.

This account will represent the principal amounts due the licensee on a cost basis of debt instruments classified as "other securities" that are reasonably expected to be collected in the normal course of business in the next 12 months of operations.

Debit:

(a) With amount due the licensee during the current year.

Credit:

(a) With amount of current maturities collected by the licensee.

(b) With amount not considered collectible on a current basis and restored to other securities accounts.

(See accounts Nos. 220 and 221)

156 Other current assets.

This account will represent current assets not otherwise classified of the licensee that are expected to be converted to cash or expensed in the normal course of business in the next twelve months.

Debit:

(a) With amount of such asset.

Credit:

(a) With amount collected.

(b) With the proportionate amount allocated to the period as an expense.

160 Investment in 301(d) Licensee.

This account will represent the licensee's investment in capital stock of a special purpose SBIC. The account will be maintained on the equity method of accounting basis and will show licensee's investment after considering proportionate share of realized income (loss) of the 301(d) licensee's operations and dividends declared by the 301(d) licensee.

Debit:

(a) With cost of capital stock of such 301(d) licensee.

(b) With the licensee's proportionate share of the 301(d) licensee's:

- (1) Net investment income and
- (2) Net realized gain on sale of securities.

Credit:

(a) With the licensee's proportionate share of:

- (1) Net investment loss.
- (2) Net realized loss on sale of securities.

(b) With the licensee's proportionate share of cash dividends or dividends in kind at fair value.

(c) With the value on equity basis of stock in 301(d) licensee when sold.

170 Loans.

This account will represent the unpaid principal balance of loans made to small business concerns pursuant to section 305 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) With face amount of direct loans.

(b) With portion retained by company of loans in which participations are sold to others.

(c) With amount of participations in loans of others.

(d) With unpaid principal of loans represented by renewal notes accepted or notes taken in substitution for those held.

(e) With reversal of prior credits when checks received representing repayments are dishonored, etc.

Credit:

(a) With amount collected on face amount of direct loans.

(b) With company's share of amount collected on principal of loans in which participations are sold to others.

(c) With amount by which participations in loans of others are reduced by repayments transmitted by the "initiating" company.

(d) With unpaid principal of loans represented by notes renewed or for which other notes have been substituted.

(e) With amount transferred to assets acquired in liquidation of portfolio securities.

(f) With unpaid principal of loans written off or disposed of otherwise.

NOTE 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

NOTE 2: It is assumed that in all loan participation arrangements the "initiating" company will service the loans.

NOTE 3: It is recommended that individual loan ledger cards or sheets be maintained for all loans. Such ledger cards or sheets should contain the detailed information needed for account No. 173—Unearned discount, fees, and other charges on loans.

(See accounts Nos. 171 and 172.)

171 Appreciation of loan values.

This account will represent the amount by which the licensee's Board of Directors has valued loans above cost.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of loans.

(b) With amount of appreciation attributable to loans sold or otherwise disposed of.
(See account No. 440)

NOTE: See Note 1 to account 172.

172 Depreciation of loan values.

This account will represent the downward valuation of loans and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of such loans written off.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

(c) With amount of recoveries on such loans written off.

(See accounts Nos. 170 and 445)

NOTE: Usually, this account will be subdivided into at least two accounts:

172.1 Allowance for Losses—which represents losses the licensee expects to realize on specific loans.

172.2 Other Depreciation of Loan Values—which represents the Board of Directors downward valuation of specific loans. However, if securities are held to maturity, no loss would be expected. An example would be money mortgage discounts.

173 Unearned discount, fees, and other charges on loans.

This account will represent the amount of unearned discount, fees, and other charges included in the face amount of loans made to small business concerns pursuant to section 305 of the Small Business Investment Act of 1958, as amended, and which is withheld from disbursements to such small business concerns.

Debit:

(a) With amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which becomes earned through collection or passage of time.

(b) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which is retained by the company in connection with loans participated in by other lenders (the amount to be recorded becomes earned through collection or passage of time).

(c) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which is assigned to the company in connection with its participations in loans of other lenders (the amount to be recorded becomes earned through collection or passage of time).

(d) With amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, which is rebated to borrowers upon early repayment of loans, or is closed into the asset account upon liquidation of loans at less than full amount.

Credit:

(a) With amount of unearned discount, fees, and other charges included in the face amount of loans but withheld from disbursements to debtor small business concerns.

(b) With portion retained by the company of total amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, in connection with loans participated in by other lenders.

(c) With portion assigned to the company of total amount of unearned discount, fees, and other charges included in the face amount of loans, but withheld from disbursements to debtor small business concerns, in connection with its participations in loans of other lenders.

NOTE 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

NOTE 2: Unearned discount in this account will be transferred, as appropriate to account No. 512—Interest on loans, as it becomes earned, and unearned fees and other charges will be transferred to account No. 536—application and appraisal fees, under similar circumstances.

NOTE 3: Any fees and other charges considered earned immediately upon closing of loans will be recorded in the income account at once without first being entered in this account.

NOTE 4: Appropriate subsidiary records should be maintained for all unearned amounts included in this account to permit identification of such amounts with the particular loans to which they relate.

180 Debt securities, convertible, and with stock purchase warrants or options.

This account will represent the unpaid principal balance of small business concerns' debt securities, convertible, and with attached stock purchase warrants or options, acquired by the company pursuant to section 304 of the Small Business Investment Act of 1958, as amended. If the stock purchase warrants, options, or other stock rights have a separate purchase cost, or if a separate

cost has otherwise been determined for them, the warrants, options, or other stock rights will be reflected at such cost in account No. 197.

Debit:

(a) With face amount of debt securities, convertible, and with stock purchase warrants or options, acquired.

(b) With portion retained by company of debt securities, convertible, and with stock purchase warrants or options, in which participations are sold to others.

(c) With amount of participations in purchases by others of debt securities, convertible, and with stock purchase warrants or options.

(d) With reversal of prior credits when checks received representing repayments are dishonored, etc.

Credit:

(a) With amount collected on face amount of debt securities, convertible, and with stock purchase warrants or options.

(b) With company's share of amount collected on principal of debt securities, convertible, and with stock purchase warrants or options, in which participations are sold to others.

(c) With amount by which participations in purchases by others of debt securities, convertible, and with stock purchase warrants or options, are reduced by repayments transmitted by the "initiating" company.

(d) With unpaid principal of debt securities, convertible, and with stock purchase warrants or options, or portions thereof, converted into capital stock.

(e) With unpaid principal of debt securities, convertible, and with stock purchase warrants or options, which have been divested of stock rights through (1) the expiration of the conversion privilege, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options.

(f) With unpaid principal of debt securities, convertible, and with stock purchase warrants or options, transferred to assets acquired in liquidation of loans and debt securities.

(g) With unpaid principal of debt securities, convertible, and with stock purchase warrants or options, written off or disposed of otherwise.

NOTE 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

NOTE 2: It is assumed that in all arrangements for participation in the purchase of debt securities, convertible, and with stock purchase warrants or options, the "initiating" company will service the financing.

NOTE 3: It is recommended that individual ledger cards or sheets be maintained for all debt securities, convertible, and with stock purchase warrants or options. Such ledger cards or sheets should contain the detailed information needed for account No. 188—Unearned discount, fees, and other charges on debt securities, and for activities pertaining to participations purchases or sold.

(See accounts Nos. 184, 186, 187, 188, and memorandum record No. NA-10)

184 Debt securities divested of stock rights.

This account will represent the unpaid principal balance of small business concerns' debt securities which have been divested of stock rights through (1) the expiration of the conversion privilege of convertible debt securities, (2) the exercise or the expiration of rights conveyed by nondetachable or de-

tachable stock purchase warrants or options of debt securities, or (3) the detachment of detachable stock purchase warrants or options, obtained in connection with the acquisition of debt securities pursuant to section 304 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) With unpaid principal of debt securities divested of stock rights through (1) the expiration of the conversion privilege, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options.

(b) With company's retained portion of debt securities participated in by others which have been subsequently divested of stock rights.

(c) With amount of participations in purchases by others of debt securities which have been subsequently divested of stock rights.

(d) With reversal of prior credits when checks received representing repayments are dishonored, etc.

Credit:

(a) With amount collected on face amount of debt securities divested of stock rights.

(b) With company's share of amount collected on principal of debt securities participated in by others which have been subsequently divested of stock rights.

(c) With full amount by which participations in purchases by others of debt securities which have been subsequently divested of stock rights are reduced by repayments transmitted by the "initiating" company.

(d) With unpaid principal of debt securities divested of stock rights transferred to assets acquired in liquidation of loans and debt securities.

(e) With unpaid principal of debt securities divested of stock rights written off or disposed of otherwise.

NOTE: It is recommended that individual ledger cards or sheets be maintained for all debt securities which have been divested of stock rights. Such ledger cards or sheets should contain the detailed information needed for account No. 188—Unearned discount, fees, and other charges on debt securities.

(See accounts Nos. 186, 187, and 188.)

186 Appreciation of debt securities of SBC's.

This account will represent the amount by which the licensee's Board of Directors has valued debt securities with equity features above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See account No. 440)

NOTE: See Note 1 to account 187.

187 Depreciation of debt securities values.

This account will represent the downward valuation of debt securities, convertible, and with stock purchase warrants or options, and debt securities divested of stock rights and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for debt securities which are written off, sold, or disposed of otherwise.

(c) With amount of writedown of such debt securities, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

NOTE 1: When debt securities of small business concerns are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 702 will be debited for the amount of the loss, and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 572. The amount of the reserve which has been established in this account for the debt security sold or disposed of otherwise will be reversed and offset against account No. 445.

NOTE 2: Usually, this account will be subdivided into at least two accounts:

187.1 *Allowance for Losses*—which represents losses the licensee expects to realize on specific debt securities.

187.2 *Other Depreciation of Debt Securities Values*—which represents the Board of Directors downward valuation of specific debt securities. However, if securities are held to maturity no loss would be expected. An example is money mortgage discount.

188 *Unearned discount, fees, and other charges on debt securities.*

This account will represent the amount of unearned discount, fees, and other charges included in the face amount of small business concerns' debt securities acquired pursuant to section 304 of the Small Business Investment Act of 1958, as amended, and which is withheld from disbursements to such small business concerns.

Debit:

(a) With amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, which becomes earned through collection or passage of time.

(b) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, which is retained by the company in connection with purchases of debt securities participated in by other investors (the amount to be recorded becomes earned through collection or passage of time).

(c) With amount earned of that portion of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns which is assigned to the company in connection with its participations in purchases of debt securities by other investors (the amount to be recorded becomes earned through collection or passage of time).

(d) With amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, which is rebated to borrowers upon early repayment of debt securities, or is closed into the asset account upon liquidation of debt securities at less than full amount.

Credit:

(a) With amount of unearned discount (including that equivalent to the determined cost of warrants, options, and other stock rights, as explained in Note 2 of account No. 197), fees, and other charges in-

cluded in the face amount of debt securities but withheld from disbursements to debtor small business concerns.

(b) With portion retained by the company of total amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, in connection with purchases of debt securities participated in by other investors.

(c) With portion assigned to the company of total amount of unearned discount, fees, and other charges included in the face amount of debt securities, but withheld from disbursements to debtor small business concerns, in connection with its participations in purchases of debt securities by other investors.

NOTE 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

NOTE 2: Unearned discount in this account will be transferred, as appropriate, to account No. 516—Interest on debt securities, as it becomes earned, and unearned fees and other charges will be transferred to account No. 536—Application and appraisal fees, under similar circumstances.

NOTE 3: Any fees and other charges considered earned immediately upon closing of financing through purchase of debt securities will be recorded in the income account at once without first being entered in this account.

NOTE 4: Appropriate subsidiary records should be maintained for all unearned amounts included in this account to permit identification of such amounts with the particular debt securities to which they relate.

190 *Capital stock of SBC's, convertible, and with stock purchase warrants or options.*

This account will represent the value at cost of small business concerns' capital stock, convertible, and with attached stock purchase warrants or options, acquired by the company pursuant to section 304 of the Small Business Investment Act of 1958, as amended. If the stock purchase warrants, options, or other stock rights have a separate purchase cost, or if a separate cost has otherwise been determined for them, the warrants, options, or other stock rights will be reflected at such cost in account No. 197.

Debit:

(a) With cost of such capital stock of SBCs, convertible, and with stock purchase warrants or options, acquired.

(b) With portion retained by company of the capital stock of SBCs, convertible, and with stock purchase warrants or options, in which participations are sold to others.

(c) With amount of participations in acquisitions by others of capital stock of SBCs, convertible, and with stock purchase warrants or options.

Credit:

(a) With cost of such capital stock of SBCs, convertible, and with stock purchase warrants or options, which has been divested of stock purchase rights through (1) the expiration of the conversion privilege, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options.

(b) With cost of such capital stock of SBCs, convertible, and with stock purchase warrants or options, converted to another class of capital stock.

(c) With cost of such capital stock of SBCs, convertible, and with stock purchase warrants or options, written off or disposed of otherwise.

NOTE 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

NOTE 2: It is assumed that in all arrangements for participation in the acquisition of capital stock of SBCs, convertible, and with stock purchase warrants or options, the "initiating" company will service the financing.

NOTE 3: It is recommended that individual ledger cards or sheets be maintained for all capital stock of SBCs, convertible, and with stock purchase warrants or options.

(See accounts Nos. 191, 193 and memorandum record No. NA-10)

191 *Capital stock of SBC's—other.*

This account will represent the value at cost of small business concerns' capital stock acquired by the company without conversion privileges or stock purchase warrants or options, or existing on the books as the result of (1) the expiration of the conversion privilege of convertible capital stock of SBCs, (2) the exercise or the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options, obtained in connection with the acquisition of capital stock of small business concerns pursuant to section 304 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) With cost of such capital stock of SBCs—other acquired through (1) purchase (2) conversion of convertible debt securities or convertible capital stock of SBCs, or (3) exercise of rights conveyed by stock purchase warrants or options issued by small business concerns in connection with their debt securities or capital stock acquired by the company.

(b) With cost of such capital stock of SBCs—other resulting from (1) the expiration of the conversion privilege of convertible capital stock of SBCs, (2) the expiration of rights conveyed by nondetachable or detachable stock purchase warrants or options, or (3) the detachment of detachable stock purchase warrants or options, obtained in connection with the acquisition of capital stock of small business concerns.

(c) With portion retained by company of the capital stock of SBCs—other in which participations are sold to others.

(d) With amount of participations in capital stock of SBCs—other acquired by or subsequently existing on the books of others without conversion privileges or stock purchase warrants or options.

Credit:

(a) With cost of such capital stock of SBCs—other written off or disposed of otherwise.

NOTE 1: It is recommended that individual ledger cards or sheets be maintained for all capital stock of SBCs—other acquired or subsequently existing without conversion privileges or stock purchase warrants or options.

NOTE 2: In acquisitions of capital stock through exercise of rights conveyed by stock purchase warrants or options issued by small business concerns in connection with their debt securities or capital stock previously acquired by the company, the amount of the expenditure made by the company in the current acquisition of the capital stock will be considered the cost of the stock in those instances when the stock purchase rights

surrendered have only a nominal value; otherwise, the cost of the stock will comprise the current expenditure plus the cost of the warrants of options surrendered.

NOTE 3: In conversions of convertible debt securities of small business concerns into capital stock, or in conversions of convertible capital stock of SBCs into another class of capital stock, the value at cost of the particular convertible security should be considered the cost of the capital stock received in the conversion.

(See accounts Nos. 190, 193, and 197)

192 Appreciation of Capital Stock of SBCs

This account will represent the amount by which the licensee's Board of Directors has valued capital stock of SBCs above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See account No. 440)

NOTE: See note 1 to account No. 193

193 Depreciation of capital stock values.

This account will represent the downward valuation of (1) capital stock of SBCs, convertible, and with stock purchase warrants or options and (2) capital stock of SBCs—other, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for capital stock which is written off, sold, or disposed of otherwise.

(c) With amount of writedown of such capital stock, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

NOTE 1: When capital stock of SBCs is sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 704 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 574. The amount of the reserve which has been established in the account for capital stock sold or disposed of otherwise will be reversed and offset against account No. 445.

NOTE 2: Usually, this account will be subdivided into at least two accounts:

193.1 Allowance for Losses—represents losses the licensee expects to realize on specific stock investments.

193.2 Other Depreciation of Stock Values—represents the downward valuation of specific stock investments. However, the licensee's management expects the decline to be temporary and thereby suffer no loss on the investment. An example is temporary market decline of public tradeable stocks that are unrestricted.

(See accounts Nos. 190, 192, and 445)

194 Equity interests of unincorporated concerns.

This account will represent the licensee's investment in equity type securities of a lim-

ited partnership or other type of unincorporated concern. The account will be maintained on the equity method of accounting basis and will show the licensee's investment after considering its proportionate share of realized income (loss) of the unincorporated concern as well as distributions.

Debit:

(a) With cost of equity interest acquired.

(b) With the licensee's proportionate share of the concern's net income.

Credit:

(a) With the licensee's proportionate share of net loss.

(b) With the licensee's proportionate share of cash dividends.

(c) With the value on equity basis of the licensee's investment when sold or disposed of otherwise.

(See accounts Nos. 195 and 196)

195 Appreciation of equity interests of unincorporated concerns.

This account will represent the amount by which the licensee's Board of Directors has valued equity interests of unincorporated concerns above the carrying value of such securities on the equity method of accounting.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of application attributable to securities sold or otherwise disposed of.

NOTE: See Note 1 to account 196.

(See account No. 194, 196 and 440)

196 Depreciation of equity interests of unincorporated concerns.

This account will represent the amount by which the licensee's Board of Directors has valued equity interests of unincorporated concerns below the carrying value of such securities on the equity method of accounting.

Debit:

(a) With decrease in amount of such depreciation resulting from increase in fair value of such equity interests.

(b) With amount of depreciation attributable to equity interests sold or otherwise disposed of.

Credit:

(a) With amount of such depreciation recognized.

(b) With amount of increase in such depreciation recognized.

NOTE 1: When equity interests are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 705 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 575. The amount of the reserve which has been established in the account for equity interest sold or disposed of otherwise will be reversed and offset against account No. 445.

NOTE 2: This account will usually be the same as allowance for loss on equity interests of unincorporated concerns. Otherwise, the account should be subdivided.

(See account Nos. 194, 195 and 445)

197 Warrants, options, and other stock rights acquired from SBCs.

This account will represent the value at purchase price or at cost as otherwise determined of warrants, options, and other stock rights acquired by the company from small

business concerns pursuant to section 304 of the Small Business Investment Act of 1958, as amended. The account will include conversion rights for which a separate cost has been determined.

Detachable stock purchase warrants or options on stock of SBCs for which no consideration is given distinct from that surrendered for the debt securities or capital stock which they accompany, or for which no separate cost has been determined, will be reflected in memorandum record No. NA-10, if retained after the financing instruments which they accompanied have been disposed of.

Debit:

(a) With cost of such warrants, options, or other stock rights acquired.

(b) With portion retained by company of the warrants, options, or other stock rights in which participations are sold to others.

(c) With amount of participations in acquisitions by others of warrants, options, or other stock rights.

Credit:

(a) With cost of such warrants, options, or other stock rights surrendered in exercising the stock rights.

(b) With cost of such warrants, options, or other stock rights written off or disposed of otherwise.

(c) With cost of such warrants, options, or other stock rights for which the exercise period has expired.

NOTE 1: It is recommended that individual ledger cards or sheets be maintained for all warrants, options, or other stock rights acquired from SBCs.

NOTE 2: The cost of warrants, options, and other stock rights acquired from SBCs for a separate consideration will be charged to this account, with a credit to cash. If warrants, options, or other stock rights are acquired from SBCs without a separate consideration and a cost thereof is otherwise determined, such cost will be established in this account. (The determined cost of warrants, options, and other stock rights acquired with debt securities without a separate consideration therefor shall be arrived at giving full consideration to the grade of the debt security.) The payment for the debt security or capital stock certificate which accompanied the stock rights will be allocated between the obligation or stock and the stock rights. Cash will be credited for the determined cost of the stock rights. Cash also will be credited for the amount of the debt security or stock received less the amount withheld from disbursement in relation to the debt security or stock received, which is equivalent to the determined cost of the stock rights plus (in the case of a debt security) any other withholding from net funds advanced. In the purchase of a debt security the deduction equal to the determined cost of the stock rights, plus any other withholding from net funds advanced, will be treated as unearned discount on the debt security and credited to account No. 188—Unearned discount, fees, and other charges on debt securities. In the case of a purchase of capital stock, the deduction equal to the determined cost of the stock rights will serve to reduce the cost of the stock to be recorded in account No. 190—Capital stock of SBCs, convertible, and with stock purchase warrants or options.

(See accounts Nos. 199, 576 and 706)

198 Appreciation of warrants, options, and other stock rights acquired from SBCs.

This account will represent the amount by which the licensee's Board of Directors has valued warrants, options and other stock rights above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See account Nos. 197, 199 and 440)

Note: See Note 1 to account No. 199.

199 *Depreciation of warrants, options, and other stock rights acquired from SBC's.*

This account will represent the Board of Directors' downward valuation of warrants, options, and other stock rights acquired from SBCs, and should represent an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for warrants, options, and other stock rights acquired from SBCs which are written off, sold or disposed of otherwise (contra credit will be made to account No. 445).

(c) With amount of writedown of such warrants, options, and other stock rights acquired from SBCs, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

Note: When warrants, options, and other stock rights acquired from SBCs are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received, account 706 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account 576. The amount of the reserve which has been established in the account for warrants, options, or other stock rights acquired, sold or disposed of otherwise will be reversed and offset against account 445.

Note 2: This account will usually represent the allowance for losses on warrants, options, and other stock rights. Otherwise, this account should be subdivided.

(See Accounts Nos. 197, 198, and 445)

200 *Receivables due from debtors on sale of assets acquired in liquidation of portfolio securities.*

This account will represent the unpaid balance of accounts receivable, notes receivable, sales contracts, purchase money mortgages, and similar evidences of indebtedness to the company arising from the sale of assets acquired in liquidation of portfolio securities.

Debit:

(a) With amount of such receivables.

(b) With amount of participation in amounts due from debtors on sale of assets acquired in liquidation of portfolio securities of other lenders or investors.

Credit:

(a) With amount collected on principal of such receivables.

(b) With amount transferred to account No. 204—assets acquired in liquidation of portfolio securities. (Noncash assets other than receivables obtained on sale of assets acquired in liquidation of portfolio securities should be reflected at cost in account No. 204.)

(c) With unpaid principal balance written off or disposed of otherwise.

Note: It is recommended that subsidiary records be maintained in sufficient detail to disclose for report and tax purposes all transactions affecting amounts due from debtors on sale of assets acquired in liquidation of portfolio securities.

(See accounts Nos. 203, 204.)

203 *Depreciation in values of receivables from debtors on sale of assets acquired in liquidation of portfolio securities.*

This account will represent the downward valuation on amounts due from debtors and securities received on sale of assets acquired in liquidation of portfolio securities, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount due from debtors on sale of assets acquired in liquidation of portfolio securities written off.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

(c) With amount of recoveries on such items written off.

Note: Occasionally, this account will be subdivided into at least two accounts:

203.1 *Allowance for Losses*—which represents losses the licensee expects to realize on specific receivables from debtors.

203.2 *Other Depreciation of Receivables from Debtors*—represents the Board of Directors downward valuation of specific receivables from debtors. However, if securities are held to maturity no loss would be expected. An example is money mortgage discount.

(See accounts Nos. 200 and 445.)

204 *Assets acquired in liquidation of portfolio securities.*

This account will represent the company's investment in assets acquired by foreclosure, or otherwise, in liquidation of portfolio securities. Judgments, sheriff's certificates (including property acquired subject to redemption, etc.), will be reflected in this account.

The investment in property at the date of acquisition by the company should be determined by the Board of Directors on the most suitable of the following bases: (1) Bid-in price of the property; (2) agreed consideration for the property; (3) fair appraised value of the property. Any remaining indebtedness will be written off unless the company expects further liquidation of the debt from other sources. Insofar as practicable, investment values will be determined for each individual asset, or unit, at the time such assets are recorded in this account, and when an asset is sold only an amount equal to the investment in such asset will be credited to this account.

The company's investment in mortgaged real property acquired in liquidation of portfolio securities should be recorded at gross value as determined by the Board of Directors, reduced as necessary to bring the net recorded value to no more than the outstanding principal balance of the related portfolio securities involved. The amount of the existing mortgage or mortgages on such property acquired by the company will be reflected in account No. 313. The balance of the latter account will not be treated as a liability on the Statement of Financial Position but will be deducted from the asset account.

The company's investment in judgments should be recorded at the face amount of the judgment. When the company acquires the underlying security to the related portfolio securities outright or subject to redemption, the investment in the property should be determined in accordance with the bases set forth in the second paragraph.

Debit:

(a) With amount of the company's investment in the assets at the time of the acquisition.

(b) With amount of the company's investment in the assets at the date of judgment, sheriff's certificate, etc.

(c) With amount of participation in assets acquired by others in liquidation of portfolio securities.

Credit:

(a) With proceeds of partial sale of the assets.

(b) With amount of the company's investment at date of sale, or other disposition of the assets.

(c) With amount written off.

Note 1: Collateral notes receivable acquired in the liquidation of portfolio securities will be reflected in this account; but notes receivable that are subsequently accepted in connection with the disposition of assets acquired in the liquidation of portfolio securities will be included in account No. 200—Receivables from debtors on sale of assets acquired in liquidation of portfolio securities.

Note 2: It is recommended that subsidiary records be maintained in sufficient detail to disclose for report and tax purposes all transactions affecting assets acquired in liquidation of portfolio securities.

(See accounts Nos. 170, 180, 184, and 200)

205 *Appreciation of assets acquired in liquidation of portfolio securities.*

This account will represent the amount by which the licensee's Board of Directors has valued assets acquired above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

Note: See Note 1 to account No. 206.

(See accounts Nos. 204, 206, and 440)

206 *Depreciation of assets acquired in liquidation of portfolio securities.*

This account will represent the downward valuation of assets acquired in liquidation of portfolio securities, and should be maintained in an amount not less than a conservative estimate of probable losses. This valuation reserve will be adjusted as occasion demands.

Debit:

(a) With amount of decreases in such reserve.

(b) With amount of reserve established in this account for assets acquired in liquidation of portfolio securities which are written off, sold, or disposed of otherwise (contra credit will be made to account No. 445).

(c) With amount of writedown of such assets acquired in liquidation of portfolio securities, not to exceed the amount of reserve established therefor in this account.

Credit:

(a) With amount of such reserve established.

(b) With amount of increases in such reserve.

NOTE 1: When assets acquired in liquidation or portfolio securities are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received, account 707 will be debited for the amount of the loss and account No. 204 will be credited for the related cost value carried therein. If a gain over recorded investment in the assets acquired in liquidation is realized, such gain will be credited to account No. 577. The amount of the reserve which has been established in this account for other assets acquired in liquidation of portfolio securities will be reversed and offset against account 445 when such assets are sold or disposed of otherwise.

NOTE 2: This account will usually represent the allowance for losses on other assets acquired in liquidation of portfolio securities. Otherwise, it should be subdivided. (See accounts Nos. 204 and 445)

210 Operating concerns acquired.

Occasionally, a licensee takes action to protect its investment in a portfolio concern and as a result acquires a controlling interest in an operating concern. In such cases, the licensee will reclassify the aggregate amount due from the portfolio concern to this account. If the concern has ceased operations and is being liquidated, the aggregate amount due from the portfolio concern will be classified as assets acquired in liquidation of portfolio securities (account No. 204) rather than this account.

Debit:

(a) With total amount of the licensee's investment in the operating concern at the time of the acquisition.

(b) With additional financing provided by the licensee.

Credit:

(a) With amount collected from such operating concern.

(b) With proportionate cost of interest sold or disposed of otherwise.

(c) With amounts written off.

NOTE: It is recommended that individual ledger cards or sheets be maintained for individual loans and investments by operating concerns acquired.

(See accounts Nos. 211 and 212)

211 Appreciation of operating concerns acquired.

This account will represent the amount by which the licensee's Board of Directors has valued securities of operating concerns acquired above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

(See accounts 210, 212, and 440)

NOTE: See Note 1 to account No. 212

212 Depreciation of operating concerns acquired.

This account will represent the amount by which the licensee's Board of Directors has valued securities of operating concerns acquired below cost of such securities.

Debit:

(a) With decreases in amount of such depreciation resulting from increase in fair value of such equity interests.

(b) With amount of depreciation attributable to equity interests sold or otherwise disposed of.

Credit:

(a) With amount of such depreciation recognized.

(b) With amount of increase in such depreciation recognized.

NOTE 1: When investments in operating concerns are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 708 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 578. The amount of the reserve which has been established in the account for the investment sold or disposed of otherwise will be reversed and offset against account No. 445.

NOTE 2: Usually, this account will be subdivided into at least two accounts:

212.1 *Allowance for Losses*—which represents losses the licensee expects to realize on specific operating concern acquired.

212.2 *Other Depreciation of Values*—represents the Board of Directors downward valuation of specific loans. However, if securities are held to maturity no loss would be expected. An example is money mortgage discount.

(See account Nos. 210, 211, and 445)

220 Notes and other securities received on sale of portfolio securities.

This account will represent the securities taken by the licensee as part of the net sales price of portfolio securities sold.

Debit:

(a) With assigned cost of such securities when acquired.

Credit:

(a) With cost of such securities when sold.

(b) With cost of such securities when written off or disposed of otherwise.

NOTE 1: It is recommended that individual ledger cards or sheets be maintained for securities received on sale of portfolio securities.

(See account 221, 222, and 223)

221 Other securities received

This account will represent securities received by the licensee for which no funds were provided and which would not otherwise be classified as loans and investments. An example of such securities would be a dividend in kind received by licensee from a portfolio concern.

Debit:

(a) With fair value of such securities when received.

Credit:

(a) With carrying value of such securities when sold, written off or disposed of otherwise.

(See accounts 220, 222, and 223)

222 Appreciation of other securities.

This account will represent the amount by which the licensee's Board of Directors has valued other securities with equity features above cost of such securities.

Debit:

(a) With amount of such appreciation recognized.

(b) With amount of increases in such appreciation recognized.

Credit:

(a) With decrease in amount of such appreciation resulting from decline in fair value of securities.

(b) With amount of appreciation attributable to securities sold or otherwise disposed of.

NOTE: See Note 1 to account No. 223. (See accounts 220, 221, 223, and 440)

223 Depreciation of other securities.

This account will represent the amount by which the licensee's Board of Directors has valued other securities below the carrying value of such securities.

Debit:

(a) With decreases in amount of such depreciation resulting from increase in fair value of such securities.

(b) With amount of depreciation attributable to other securities sold or otherwise disposed of.

Credit:

(a) With amount of such depreciation recognized.

(b) With amount of increase in such depreciation recognized.

NOTE 1: When other securities are sold by the company or disposed of otherwise, cash or other appropriate asset account will be debited for the amount received. Account 709 will be debited for the amount of the loss and the appropriate investment account will be credited for the related cost value carried therein. If a gain over cost is realized, such gain will be credited to account No. 579. The amount of the reserve which has been established in the account for securities sold or disposed of otherwise will be reversed and offset against account No. 445.

NOTE 2: Frequently, this account will be subdivided into at least two accounts:

223.1 *Allowance for Losses*—represents losses the licensee expects to realize on specific or other securities.

223.2 *Other Depreciation of Values*—represents the Board of Directors downward valuation of specific securities. However, if securities are held to maturity, no loss would be expected. An example is money mortgage discount. Another example would be temporary market decline of marketable securities.

(See account Nos. 220, 221, 222, and 445)

230 Prepaid expenses.

This account will represent the unexpired or unconsumed portion of expenses expressly applicable to future periods for which no specific accounts have been provided. Such expenses should be amortized over the appropriate period. An example of such prepaid expense is debt discount and expense that may result from obtaining leverage funds.

Debit:

(a) With amount of prepaid expenses.

Credit:

(a) With the proportional amount of such expenses applicable to the period.

NOTE: Subsidiary records should be maintained to identify the items reflected in this account and to facilitate their amortization.

231 Deferred charge.

Timing differences will exist between accounting income and taxable income and thereby may cause a prepayment of taxes which is considered to be a deferred charge to future income tax expense. The prepayment is based on accounting income and primarily will result from provision for loss on stock of SBCs. This account will represent such deferred charges recognized.

Debit:

(a) Such account for amounts when prepaid.

Credit:

(a) Such account for amounts that have been previously prepaid that are being applied during the period.

(See account No. 380)

240 Furniture and equipment.

This account will represent the cost of furniture, fixtures, and equipment, including

automobiles, owned by the company. The cost of freight, drayage, cartage, express, etc., in connection with the purchase of such items of furniture and equipment, will be included in this account.

Debit:

- (a) With cost of such assets purchased.

Credit:

- (a) With cost of such assets at the time of sale or other disposition.

NOTE: An inventory record should be maintained for all such assets and each item should be tagged or numbered to facilitate ready identification.

(See account No. 241)

241 Accumulated depreciation on furniture and equipment.

This account will represent the valuation reserve provided for depreciation of furniture, fixtures, and equipment, including automobiles, owned by the company. This account should be maintained in an amount not less than a conservative estimate of the expired service life of such assets while owned by the company.

Debit:

- (a) With amount of depreciation accumulated, when such an asset is sold or disposed of otherwise.

Credit:

- (a) With the amount necessary to depreciate the cost of such assets over the estimated service life.

(See accounts Nos. 240 and 655)

250 Corporate premises owned.

This account will represent the actual cost of acquisition of the land and building used as the company's office quarters. The account also will include the actual cost of any improvements, such as street, sidewalk and other benefits, applicable to the land, and any improvements applicable to the building.

Debit:

- (a) With actual cost of acquisition of the land and building.
(b) With actual cost of any improvement to the land and/or building.

Credit:

- (a) With the acquisition cost of the land and/or building, plus the cost of improvements made thereto, when the land and/or building is sold or disposed of otherwise.

(See account No. 251)

251 Accumulated depreciation on corporate premises owned.

This account will represent the valuation reserve provided for depreciation of the building and other depreciable improvements of corporate premises owned and used as the company's office quarters. This account should be maintained in an amount not less than a conservative estimate of the expired service life of such building and improvements while owned by the company.

Debit:

- (a) With amount of depreciation accumulated, when such an asset is sold or disposed of otherwise.

Credit:

- (a) With the amount necessary to depre-

ciate the cost of such assets over the estimated service life.

(See accounts Nos. 250 and 655)

252 Leasehold improvements.

This account will represent the actual cost of improvements to leased property used as the company's office quarters. The amount of this account will be amortized through account No. 656 over the life of the lease or the life of the improvements, whichever is the shorter.

Debit:

- (a) With actual cost of improvements to leasehold.

Credit:

- (a) With the amount necessary to amortize the cost of leasehold improvements.

265 Amounts due from directors, officers, and employees.

This account will represent the unpaid balance of amounts advanced to directors, officers, and employees.

Debit:

- (a) With amount of such advances made.

Credit:

- (a) With amount collected on such advances.

- (b) With amount transferred to appropriate expense classification upon proper authorization.

- (c) With amount written off or disposed of otherwise.

(See account No. 709)

266 Organization costs.

This account will represent the amount of legal fees, promotional expense, stock certificate costs, incorporation fees, taxes, and other related costs incurred in organizing the company.

Debit:

- (a) With amount of such costs incurred.

Credit:

- (a) With the amount necessary to amortize the organization costs.

(See account No. 672)

267 Funds in escrow.

This account will represent the amount of funds placed in escrow pending the closing of financing for small business concerns.

Debit:

- (a) With amount of funds placed in escrow.

Credit:

- (a) With amount of funds withdrawn from escrow.

259 Other assets.

This account will represent the amount of assets of the company, at cost, not specifically provided for in other accounts, including recoverable amounts advanced for the protection and preservation of the company's investments (such as the payment of taxes on mortgaged property), but not including short-term loans or debt securities issued to protect the company's interests in previously issued long-term loans or equity securities.

Debit:

- (a) With amount of the company's investment in such assets.

Credit:

- (a) With amount of such assets sold or disposed of otherwise.

(See account No. 709)

LIABILITY ACCOUNTS

300 Notes payable to SBA.

This account will represent the long-term principal balance of notes payable (1) for funds borrowed and received directly from the Small Business Administration and (2) for funds borrowed from others through guaranteed loans which subsequently have been purchased by the Small Business Administration.

Debit:

- (a) With amount of principal payments made on such notes.
(b) With amount of principal transferred to current maturities.

Credit:

- (a) With amount of funds borrowed.
(b) With unpaid principal balance of guaranteed loans purchased by SBA (contra debit will be made to account No. 310).
(See account 330)

301 Debentures payable issued to SBA.

This account will represent the long-term principal balance of funds received by the company under its debentures payable issued to the Small Business Administration for funds borrowed.

Debit:

- (a) With amount of principal payments made to SBA on such debentures.
(b) With amount of principal transferred to current maturities.

Credit:

- (a) With amount of funds received from SBA under such debentures.
(See account 330)

310 Notes payable to other than SBA—guaranteed by SBA.

This account will represent the long-term principal balance of notes payable for funds borrowed from other than the Small Business Administration and guaranteed by the Small Business Administration.

Debit:

- (a) With amount of principal payments made on such notes.
(b) With unpaid principal balance of guaranteed loans purchased by SBA (contra credit will be made to account No. 300).
(c) With amount of principal transferred to current maturities.

Credit:

- (a) With amount of funds borrowed.
(See account 330)

311 Notes payable to other than SBA—not guaranteed by SBA.

This account will represent the long-term principal balance of notes payable for funds borrowed from other than the Small Business Administration and not guaranteed by the Small Business Administration.

Debit:

- (a) With amount of principal payments made on such notes.
(b) With amount of principal transferred to current maturities.

Credit:

- (a) With amount of funds borrowed.
- (See account 331)

312 Mortgages payable for funds borrowed.

This account will represent the long-term principal balance of mortgages payable for funds borrowed on corporate premises or other real estate owned by the company. Purchase money mortgages, conditional sales contracts, or similar documentary evidence of indebtedness given by the company in the acquisition of real property will be included in this account.

Debit:

- (a) With amount of principal payments made on such indebtedness.
- (b) With amount of principal transferred to current maturities.

Credit:

- (a) With amount of funds borrowed.

(See account 331)

313 Mortgages payable on assets acquired in liquidation of portfolio securities.

This account will represent the unpaid principal balance of existing mortgages payable on assets acquired by the company in liquidation of portfolio securities.

Debit:

- (a) With amount of principal payments made on such indebtedness.

Credit:

- (a) With amount of such indebtedness.

(See account No. 204)

320 Notes payable—other.

This account will represent the unpaid principal balance of notes payable in evidence of amounts owed by the company other than for funds borrowed. Notes payable, conditional sales contracts, and liens for the acquisition of furniture, fixtures, equipment, and automobiles will be included in this account.

Debit:

- (a) With amount of principal payments made on such notes.

Credit:

- (a) With amount of unpaid principal of such notes executed.

330 Current Maturities of notes and debentures payable to or guaranteed by SBA.

This account will represent the principal amount due on a current basis (payable by the licensee in the next 12 months of operations) of long-term debt shown in accounts 300, 301 and 310.

Debit:

- (a) With amounts paid by the licensee or disposed of otherwise.

Credit:

- (a) With amounts that become due by the licensee on a current basis.

(See accounts Nos. 300, 301, 310)

331 Current maturities of notes and debentures payable to others not guaranteed by SBA.

This account will represent the principal amount due on a current basis (payable by the licensee in the next 12 months of operations) of long-term debt shown in accounts 311 through 313.

Debit:

- (a) With amounts paid by the licensee or disposed of otherwise.

Credit:

- (a) With amounts that become due by the licensee on a current basis.

(See account Nos. 311 through 313)

340 Accounts payable.

This account will represent amounts payable on open account. The account also will include accrued compensation payable for services rendered to the company on its participations in financing transactions, and

accrued commitment fees payable for having funds made available on a deferred basis by "participating" companies in connection with the financing of, or commitments to finance, small business concerns.

Debit:

- (a) With amount of such indebtedness paid, or disposed of otherwise.

Credit:

- (a) With amount of such indebtedness incurred.

NOTE 1: A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

NOTE 2: A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies.

(See accounts Nos. 141, 600, and 715)

350 Accrued interest payable.

This account will represent the amount of liability for interest accrued on the company's notes, mortgages and debentures payable. The account will also include accrued interest payable on other interest-bearing obligations of the company.

Debit:

- (a) With amount of such interest paid or disposed of otherwise.

Credit:

- (a) With amount of interest accrued on all interest-bearing obligations covered by this account.

351 Accrued taxes.

This account will represent the balance of accrued taxes on payroll, such as the company's portion of social security taxes, which have not been remitted to the appropriate collectors of such taxes.

Debit:

- (a) With amount of such taxes paid.

Credit:

- (a) With amount of such taxes accrued.

(See account No. 664)

354 Estimated income taxes accrued.

This account will include the balances in subaccounts Nos. 354.1, 354.2, 354.3, etc.

354.1 Estimated Federal income taxes accrued.

This account will represent the balance of estimated Federal income taxes accrued which have not been remitted to the Internal Revenue Service.

Debit:

- (a) With amount of such taxes paid.

Credit:

- (a) With amount of such taxes accrued.

(See subaccounts Nos. 720.1 and 722.1)

354.2 Estimated State income taxes accrued.

This account will represent the balance of estimated State income taxes accrued which have not been remitted to the appropriate collector of such taxes.

Debit:

- (a) With amount of such taxes paid.

Credit:

- (a) With amount of such taxes accrued.

(See subaccounts Nos. 720.2 and 722.2)

358 Other current liabilities.

This account will represent other current liabilities not provided for in other accounts.

Debit:

- (a) With amount of such expenses paid or disposed of otherwise.

Credit:

- (a) With amount of such expenses accrued.

NOTE: Increases or decreases in the liability for accrued expenses, through accruals or adjustments, will be offset by increases or decreases, respectively, in the appropriate expense accounts.

360-364 Dividends payable on-----

(Type

----- capital stock.

and class)

These accounts will represent the company's liability for dividends declared by the company's Board of Directors on the respective types and classes of capital stock issued and outstanding. A separate account should be used to reflect the dividends payable for each type and class of capital stock outstanding.

Debit:

- (a) With amount of such dividends paid.

Credit:

- (a) With amount of such dividends declared payable by the company's Board of Directors.

370 Employee taxes withheld.

This account will represent the amount of income and social security taxes withheld from employees' salaries which have not been remitted to the appropriate collectors of such taxes.

Debit:

- (a) With amount of such taxes remitted.

Credit:

- (a) With amount of such taxes withheld.

374 Unapplied receipts.

This account will represent the amount of funds received by the company which have not been applied to loans, debt securities, interest receivable, etc. This account will be used only in instances when the funds received cannot be applied promptly.

Debit:

- (a) With amount of such funds applied or disposed of otherwise.

Credit:

- (a) With amount of funds received which cannot be applied promptly.

378 Miscellaneous trust receipts.

This account will represent the liability of the company for funds withheld or received in trust, for which no specific account is provided, including earnest money deposits, and funds withheld from employees' salaries for the purchase of United States Savings Bonds, payment of group life insurance premiums, payment of pension fund contributions, etc. The account will also include amounts due other companies that are participants in financing where the licensee is the sponsor and is servicing the debt.

Debit:

- (a) With amount of such funds disbursed or disposed of otherwise.

Credit:

- (a) With amount of such funds withheld or received.

380 Deferred credit to future taxes.

Timing differences will exist between accounting income and taxable income and thereby cause a deferment of tax expense. Such deferred credits usually will result from provision for loss on loans and debt securities. This account will represent such deferred tax payments.

Debit:

- (a) Such account with amount of taxes paid had been previously deferred.

Credit:

(a) Such account with amount of tax payments when deferred.
(See account No. 231)

383 Other deferred credits.

This account will represent the amount of deferred credits of the company not specifically provided for in other accounts.

The account will include any gain on sale of assets which does not qualify as realized gain.

Debit:

(a) With amount of such deferred credits transferred to income or gain, or disposed of otherwise.

Credit:

(a) With amount of such deferred credits established.

NOTE 1: Accrual of interest receivable should be discontinued with respect to any loan or debt security financing a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be treated as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in this account, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to licensee over 6 months, or the fair value of the loan or debt security as determined in good faith by the Board of Directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrual of interest receivable, or, as an alternative, the interest income should be deferred in this account as above indicated.

NOTE 2: Deferred gain in this account will be transferred to appropriate gain accounts as it is realized.

390 Other liabilities.

This account will represent the amount of liabilities of the company not specifically provided for in other accounts.

Debit:

(a) With amount of such liabilities paid or disposed of otherwise.

Credit:

(a) With amount of such liabilities incurred.

CAPITAL ACCOUNTS

400-404 ----- capital stock
(Type and class)
authorized.

These accounts will represent the total par or stated value of the capital stock authorized, as provided for in the company's charter. A separate account should be provided for each type and class of capital stock authorized.

Debit:

(a) With amount of reductions of such capital stock authorized.

Credit:

(a) With original amount of such capital stock authorized.

(b) With additional amounts of such capital stock authorized.

(See accounts Nos. 405-409 and "Note" of accounts Nos. 415-419)

405-409 ----- unissued
(Type and class)
capital stock.

These accounts will represent the total par or stated value of unissued capital stock of the company. A separate account should be provided for each type and class of unissued capital stock.

Debit:

(a) With original amount of such unissued capital stock, as provided for in the company's charter.

(b) With additional amounts of such unissued capital stock authorized.

(c) With par or stated value of capital stock retired.

Credit:

(a) With amount of such capital stock issued (contra debit will be made to accounts Nos. 410-411).

(b) With amount of reductions of capital stock authorized.

(See accounts Nos. 400-404 and "Note" of accounts Nos. 415-419)

410-411 ----- capital
(Type and class)
stock subscribed.

These accounts will represent the total amount at the subscription price of the company's capital stock subscribed. A separate account should be provided for each type and class of capital stock subscribed. These accounts will reflect the company's responsibility to issue shares of its stock to subscribers who have made final payment of their capital stock subscriptions.

Debit:

(a) With amount at the subscription price of such subscribed capital stock issued (contra credits will be made to accounts Nos. 405-409 and, as appropriate, No. 420).

(b) With amount at the subscription price of such subscribed capital stock canceled or disposed of otherwise.

Credit:

(a) With amount at the subscription price of such capital stock subscribed.

(See accounts Nos. 413-414 and "Note" of accounts Nos. 415-419)

413-414 Capital stock subscriptions receivable—
(Type and class)

These accounts will represent the total unpaid balances of capital stock subscriptions receivable from subscribers of the company's authorized capital stock. A separate subscriptions receivable account should be provided for each type and class of capital stock subscribed.

Debit:

(a) With amount of such capital stock subscriptions received.

Credit:

(a) With amount collected on such capital stock subscriptions.

(b) With amount of such capital stock subscriptions canceled or disposed of otherwise.

(See accounts Nos. 410-411 and "Note" of accounts Nos. 415-419)

415-419 Treasury stock -----
(Type and class)

These accounts will represent the total amount of the company's issued capital stock which has been reacquired through purchase or donation and has not been retired. A separate account should be provided for each type and class of such capital stock held by the company.

Debit:

(a) With cost of such capital stock acquired through purchase.

(b) With amount of fair market value or par value of such capital stock acquired through donation (contra credit will be made to account No. 420).

Credit:

(a) With cost of such capital stock acquired through purchase, when sold or disposed of otherwise.

(b) With amount of fair market value or par value of such capital stock acquired through donation, when sold or disposed of otherwise.

NOTE: Appropriate subsidiary records should be maintained as deemed necessary.
420 Paid-in surplus.

This account will represent the amount of surplus arising from (1) sales initially of the company's capital stock at a price in excess of par value (including amounts transferred from capital stock subscribed at a price above par, when shares are issued); (2) donations to the company of its issued capital stock carried as treasury stock at fair market value or par value; (3) retirements of capital stock purchased at less than the par value thereof; (4) sales of treasury stock in excess of its carrying value on the books of the company; (5) donations or gifts to the company of assets carried at not in excess of fair market value; and (6) other equity transactions with stockholders.

Debit:

(a) With amount of loss on treasury stock sold which was acquired through purchase, but not to exceed the total of credits residing in this account relating to previous gains on treasury stock sold or retirement of capital stock at amounts less than the amounts previously paid in with respect thereto (any amount of loss in excess of the total of such credits will be charged to account No. 451).

(b) With amount received by the company below fair market value, or par value, whichever applicable, for treasury stock sold which was acquired through donation.

(c) With amount paid by the company in excess of par value, but not to exceed the premium received initially, for shares of capital stock retired (any amount paid in excess of par plus initial premium received will be charged to account No. 451).

Credit:

(a) With amount paid in (including stock dividends from undistributed earnings), or transferred from capital stock subscribed, representing the excess after deduction of underwriters' fees and commissions) over par value of the company's capital stock, when shares are issued.

(b) With amount of fair value or par value of the company's capital stock acquired through donation.

(c) With amount of discount below par value of the company's capital stock acquired through purchases, when such stock is retired.

(d) With amount received by the company in excess of cost, or in excess of fair value or par value, whichever applicable, for treasury stock sold.

(e) With amount not to exceed fair market value of donations or gifts of assets to the company.

430 3 percent Cumulative preferred stock
(Issued to SBA).

This account will be used by 301(d) licensees only and will represent the preferred stock sold to the Small Business Administration at its par value by the licensee. Such stock is not included in capital stock accounts Nos. 400-414 because such stock is not considered private capital for leverage or regulatory purposes.

Debit:

(a) Such account with the par value of preferred stock repurchased by the licensee.

Credit:

(a) Such account with the par value of preferred stock sold to SBA by the licensee.
440 Unrealized appreciation on loans and investments.

This is a credit balance account and will represent the amount by which the licensee's

Board of Directors has valued loans and investments above cost of such securities.

Debit:

(a) With decrease in amount of appreciation resulting from decline in fair value of securities held.

(b) With amount of appreciation attributable to securities sold or disposed of otherwise.

Credit:

(a) With amount of such appreciation recognized.

(b) With amount of increase in such appreciation recognized.

(See accounts Nos. 171, 186, 192, 195, 198, 205, 211 and 222)

445 Unrealized depreciation on loans and investments.

This is a debit balance account and will represent the amount by which the licensee's Board of Directors has valued loans and investments below cost of such securities.

Debit:

(a) With amount of "depreciation" of loans and investments recognized.

(b) With amount of increase in such depreciation recognized.

Credit:

(a) With decrease in the amount of depreciation resulting from increase in fair value of securities held.

(b) With amount of depreciation attributable to securities sold or disposed of otherwise.

(See accounts Nos. 172, 187, 193, 196, 199, 203, 206, 212 and 223)

448 Estimated taxes on net unrealized gain (loss) on securities held.

This is a debit balance account that will represent the provision for income taxes on net unrealized appreciation (amount by which the Board of Directors valuation of all securities exceeds cost). As the valuation of securities changes, the provision for taxes will change.

Debit:

(a) With provisions for taxes established on net unrealized gain.

(b) With increases in provision for taxes.

Credit:

(a) With established provision for taxes attributable to securities sold or disposed of otherwise.

(b) With decrease in provision established.

NOTE: Should the net amount (unrealized appreciation less unrealized depreciation) be a negative figure, (i.e., a net loss) the tax effect should be computed and reflected in the accounts.

(See account Nos. 231 and 380)

450 Non-cash gains on sale of securities.

This is a credit balance account and represents gains realized on sale of securities that have not been converted to cash. While considered to be undistributed earnings, amounts in this account will not be available for distribution or capitalized by corporate action. Therefore, such amounts are considered restricted undistributed earnings realized.

Debit:

(a) With amount of cash collected of such non-cash gains previously recognized.

(b) With amount of non-cash gains written off or disposed of otherwise.

Credit:

(a) With amounts of non-cash gain when the securities generating such gain are sold.

NOTE: It is recommended that individual records be maintained for each non-cash gain realized.

(See accounts Nos. 462, 220, 579, and 709)

451 Undistributed net realized earnings.

This is a credit balance account and represents the cumulative balance of periodic net investment income including realized gain (loss) on securities sold, less dividend distributions whether cash, stock or dividends in kind. Non-cash gains on sale of securities are included in account No. 450.

Debit:

(a) At the end of the fiscal year, with any debit balance in account No. 460 reflected in the profit and loss summary account, and/or the realized gain and loss summary account, No. 461.

(b) With amount of dividends, other than stock dividends, declared payable out of undistributed net realized earnings by the company's Board of Directors.

(c) With amount of stock dividends, at a per share value representing the higher of fair value existing at the time that the dividend is declared, which are declared by the company's Board of Directors and paid out of undistributed net realized earnings.

(d) With appropriate amount of loss on treasury stock sold which was acquired through purchase, representing the excess of such loss over the total of credits residing in paid-in surplus, account No. 420, relating to previous gains on treasury stock sold or retirement of capital stock at amounts less than the amounts previously paid in with respect thereto.

(e) With appropriate amount paid by the company in excess of par plus initial premium received on the type and class of shares of capital stock retired.

Credit:

(a) At the end of the fiscal year, with the credit balances of the profit and loss summary account, No. 460 and the realized gain and loss summary account, No. 461.

(See account Nos. 450, 460, 461 and 462)

460 Profit and loss summary.

This account will be used as a clearing account through which all income and expense accounts on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the debit balances of all expense and income accounts.

(b) At the end of the fiscal year, with the credit balance of the account (transfer to undistributed net realized earnings—account No. 451).

Credit:

(a) At the end of the fiscal year, with the credit balances of all income and expense accounts.

(b) At the end of the fiscal year, with the debit balance of the account (transfer to undistributed net realized earnings—account No. 451).

(See account No. 451)

461 Realized gain and loss summary—in cash.

This account will be used as a clearing account through which all accounts for realized gains and losses on investments on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the balances of all accounts for losses on investments.

(b) At the end of the fiscal year, with the credit balance of the account (transfer to retained earnings).

Credit:

(a) At the end of the fiscal year, with the balances of all accounts for gains on investments.

(b) At the end of the fiscal year, with the debit balance of the account (transfer to retained earnings).

(See account No. 451)

462 Non-cash realized gain summary.

This account will be used as a clearing account through which all accounts for non-cash realized gains on investments on the books of the company will be closed.

Debit:

(a) At the end of the fiscal year, with the credit balance of the account (transfer to non-cash gains on sale of securities)—account No. 450.

Credit:

(a) At the end of the fiscal year, with the amounts of non-cash gains on investments sold during the period and recognized in accounts 572 through 579.

(See account Nos. 450 and 461)

INCOME ACCOUNTS

500 Commitment income.

This account will represent the amount of income earned on commitments to small business concerns for loans and equity securities. This account, on the books of the "participating" company, will include the amount of commitment income on deferred participations.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of income earned on commitments and deferred participations.

NOTE 1: A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies.

NOTE 2: Recording as income in this account of accrued commitment fees receivable should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the small business concern or the fair value of its debt or equity instrument held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and accounts receivable should be made in an amount equivalent to the accrued commitment fees taken into income in this account, or, as an alternative, the commitment income should be deferred in account No. 383 as above indicated.

(See account Nos. 141, 142)

510 Interest on invested idle funds.

This account will represent the amount of interest earned on (1) time certificates of deposit in banks which are members of the Federal Deposit Insurance Corporation, (2) U.S. Government obligations, direct and fully guaranteed, owned by the company, and (3)

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funds of the company in insured savings accounts in institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of interest earned on invested idle funds.

(See account Nos. 130 through 137, 143 and 144)

512 Interest on loans.

This account will represent the amount of interest earned on loans to small business concerns.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of interest earned on loans outstanding to small business concerns.

NOTE: Accrual of interest receivable should be discontinued with respect to any loan to a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be credited to this account as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the licensee, or the fair value of the loan as determined in good faith by the Board of Directors is less than cost or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrued interest receivable taken into income in this account, or, as an alternative, the interest income should be deferred in account No. 383 as above indicated.

(See accounts Nos. 143, 144, 170 and 173.)

516 Interest on debt securities.

This account will represent the amount of interest earned on debt securities of small business concerns owned by the company pursuant to section 304 of the Small Business Investment Act of 1958, as amended.

Debit:

(a) At the end of the fiscal year with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of interest earned on debt securities owned.

NOTE: Accrual of interest receivable should be discontinued with respect to any debt security of a small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. Any interest payments received from such a debtor should not be credited to this account as interest income, but should be either credited as payments on principal of the debt or credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when interest receivable is accrued under circumstances in which the financed small business concern is in default to the licensee, or the fair value of the debt security as determined in good faith by the Board of Directors is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible interest receivable should be made in an amount equivalent to the accrued interest receivable

taken into income in this account, or, as an alternative, the interest income should be deferred in account No. 383 as above indicated.

(See accounts Nos. 143, 144, 180, 184 and 188)

520 Interest income—other

This account will represent the amount of interest earned on miscellaneous notes receivable, funds in escrow, and interest-bearing receivables not otherwise classified.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of interest earned on such receivables.

(See accounts Nos. 140, 143 and 267)

432 Management service fees.

This account will represent the amount of fees charged for management services rendered to small business concerns and other small business investment companies pursuant to section 107.601 of the Small Business Administration Rules and Regulations.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such fees charged.

NOTE: Recording as income in this account of accrued management service fees receivable should be discontinued with respect to any small business concern which is in bankruptcy, or on the verge thereof, or otherwise considered to be insolvent. The amounts in question should be credited as deferred income in account No. 383—Other deferred credits, pending determination of the appropriate accounting. In less serious situations, when the fair value of the financed concern's debt or equity instruments held by the company, as determined by the Board of Directors, is less than cost, or recovery thereon is doubtful, an addition to the allowance for uncollectible notes and account receivable should be made in an amount equivalent to the accrued management consulting service fees taken into income in this account, or, as an alternative, the management consulting service income should be deferred in account No. 383 as above indicated.

(See accounts Nos. 140, 141 and 142)

534 Investigation and service fees charged other lenders.

This account will represent the amount of fees charged for investigation and services rendered to banks or other lenders or investors, pursuant to section 308(a) of the Small Business Investment Act of 1958, as amended. The account will include compensation for financial services rendered in connection with participations sold.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such fees charged.

(See accounts Nos. 140, 141 and 142)

536 Application and appraisal fees.

This account will represent the amount of fees charged for application, appraisal, investigation, and related services rendered to small business concerns.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of such fees charged.

(See accounts Nos. 173 and 188 and "Note" of accounts Nos. 140, 141, and 532)

540 Dividends on capital stock of SBCs.

This account will represent the amount of income from dividends on capital stock of small business concerns.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:

(a) With amount of income from such dividends.

(See account No. 145)

541 Sharings in income or revenue of SBCs.

This account will represent the amount of sharings or participations in the income or revenue of small business concerns which the company has financed by means of loans or debt securities, as well as income from equity interest in unincorporated concerns.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary)

Credit:

(a) With amount of such sharings.

(See account Nos. 140, 141 and 145)

570 Gain on U.S. Government securities.

This account will represent the amount of gain on the sale or other disposition of U.S. Government obligations, direct and fully guaranteed, carried in account No. 130.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such securities sold or disposed of otherwise.

NOTE: Increase in value over cost of United States Treasury bills, which are issued at a discount and are noninterest bearing, will not be reflected in this account but will be credited to account No. 510—Interest on invested idle funds, with concurrent debit to account No. 143—Accrued interest receivable.

571 Gain on loans.

This account will represent the amount of gain on the sale or other disposition of loans of small business concerns carried in account No. 170, and will include recoveries on loan losses previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such loans sold or disposed of otherwise.

(b) With amount collected on portions of loans previously charged to the loss account.

(See accounts Nos. 383 and 701)

572 Gain on debt securities

This account will represent the amount of gain on the sale or other disposition of debt securities of small business concerns carried in accounts Nos. 180 and 184, and will include recoveries on debt security losses previously charged to the loss account.

Debit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:

(a) With amount of gain on such debt securities sold or disposed of otherwise.

(b) With amount collected on portions of debt securities previously charged to the loss account.

(See accounts Nos. 383 and 702)

574 Gain on capital stock of SBCs

This account will represent the amount of gain on the sale or other disposition of capital stock of small business concerns carried in accounts Nos. 190 and 191, and will include recoveries on capital stock losses previously charged to the loss account.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:
(a) With amount of gain on such capital stock sold or disposed of otherwise.

(b) With amount realized on capital stock of SBCs previously charged to the loss account.

(See accounts Nos. 383 and 704)

575 *Gain on equity interest of unincorporated concerns.*

This account will represent the amount of gain on the sale or other disposition of equity interests of unincorporated concerns carried in account 194 and will include recoveries of losses on equity interests of unincorporated concerns previously charged to the loss account.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:
(a) With amount of gain on such equity interests sold or disposed of otherwise.

(b) With amount realized on equity interests previously charged to the loss account.

(See accounts Nos. 383 and 705)

576 *Gain on warrants, options, and other stock rights acquired from SBCs.*

This account will represent the amount of gain on the sale or other disposition of warrants, options, and other stock rights acquired from SBCs, and will include recoveries on stock rights losses previously charged to the loss account.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:
(a) With amount of gain on such warrants, options, and other stock rights acquired from SBCs sold or disposed of otherwise.

(b) With amount realized on warrants, options, and other stock rights previously charged to the loss account.

(See accounts Nos. 197, 383, 706, and memorandum record No. NA-10)

577 *Gain on assets acquired in liquidation of portfolio securities.*

This account will represent the amount of gain on the sale or other disposition of assets acquired in liquidation of portfolio securities of small business concerns carried in accounts Nos. 200, and 204, and will include recoveries on losses on assets acquired in liquidation previously charged to the loss account.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:
(a) With amount of gain on such assets acquired in liquidation of portfolio securities sold or disposed of otherwise.

(b) With amount realized on assets acquired in liquidation of portfolio securities previously charged to the loss account.

(See accounts Nos. 383 and 707)

578 *Gain on Operating Concerns Acquired.*

This account will represent the amount of gain in the sale or other disposition of in-

vestments in operating concerns acquired and will include recoveries on losses previously charged to the related loss account.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:
(a) With amount of gain on such assets sold or disposed of otherwise.

(b) With amount realized on other assets previously charged to the loss account.

(See accounts Nos. 210, 221, 383, and 708)

579 *Gain on other assets.*

This account will represent the amount of gain on the sale or other disposition of assets not specifically provided for in other accounts, and will include recoveries on losses on other assets previously charged to the loss account.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to account 461 or 462).

Credit:
(a) With amount of gain on such assets sold or disposed of otherwise.

(b) With amount realized on other assets previously charged to the loss account.

(See accounts Nos. 220, 221, 383 and 709)

582 *Income from assets acquired in liquidation of portfolio securities.*

This account will represent the amount of income earned on assets acquired in liquidation of portfolio securities, including the operation of properties, carried in accounts Nos. 200, 204.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:
(a) With amount of such income earned.

Note: In instances when a liquidating agent is employed to supervise the disposition of the assets, appropriate subsidiary accounts should be maintained by the agent. Cash collected from the sale of assets by the liquidating agent should be remitted immediately to the company. The company should maintain a local depository bank account, in which all receipts of the agent are deposited when direct remittances to the company are not feasible. Deposit balances in this account should be subject to withdrawal by check only by the company and should be reflected on the company's records in the same manner as other bank accounts.

Any advances to a liquidating agent for expenses incident to the operation or the disposition of assets acquired in the liquidation of portfolio securities should be charged to account No. 230—Prepaid expenses.

584. *Other income.*

This account will represent the income earned not specifically provided for in other accounts.

Debit:
(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Credit:
(a) With amount of such income earned.

EXPENSE ACCOUNTS

600 *Commitment expense.*

This account will represent the amount of commitment expense on commitments from lending institutions.

On the books of the "initiating" company, this account also will include the amount of commitment expense on deferred participations.

Debit:

(a) With amount of expense incurred on commitments and deferred participations.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

Note: A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies.

(See account No. 340)

610 *Interest on obligations payable to SBA.*

This account will represent the amount of interest expense accrued on obligations payable to the Small Business Administration for funds borrowed.

Debit:

(a) With amount of such interest accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

(See accounts Nos. 300, 301 and 350)

622 *Interest on obligations payable to other than SBA.*

This account will represent the amount of interest expense accrued on obligations payable to other than the Small Business Administration for funds borrowed.

Debit:

(a) With amount of such interest accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

(See accounts Nos. 310, 311, 312, 313, 320 and 350)

642 *Stock record and other financial expenses.*

This account will represent the amount of charges to the company by the transfer agent and the registrar for services rendered in connection with the issuance and transfer of the company's capital stock, and will include other financial expenses not provided for elsewhere.

Debit:

(a) With amount of such expenses incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

(See account No. 340)

650-679 *Operating Expenses*

The accounts under this caption will represent the amounts of operating expenses incurred.

Debit appropriate account:

(a) With amount of operating expenses incurred.

Credit appropriate account:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

650 *Advertising and promotional costs.*

This account will represent the cost of advertising and promoting the company's services, including the cost of entertaining prospective borrowers and clients.

651 *Appraisal and investigation costs.*

This account will represent the amount of charges made by outside firms and individuals for appraisal, investigation, and related services rendered to the company.

652 Auditing and examination costs.

This account will represent the amount of charges for auditing, examination, and bookkeeping services rendered by accountants not on the company's payroll, and charges for services rendered by SBA examiners.

653 Communications.

This account will represent telephone, telegraph, and postage expense.

654 Cost of space occupied.

This account will represent the cost of space occupied such as rent, alterations, light, heat, power, janitor service, maintenance and repair expense on buildings, furniture, and equipment (other than automobiles), etc.

655 Depreciation of corporate premises owned, furniture, and equipment.

This account will represent the amount of provision applicable to the fiscal year for depreciation of the buildings and other depreciable improvements of corporate premises owned and used as the company's office quarters. The account also will include the amount of provision applicable to the fiscal year for depreciation of furniture and equipment (other than automobiles) owned by the company.

656 Amortization of leasehold improvements.

This account will represent the amortization of leasehold improvements.

657 Directors' and stockholders' meetings costs.

This account will represent directors' fees and travel expense for attendance at directors' and stockholders' meetings. The account also will include the cost of holding stockholders' meetings, such as rental of the meeting hall and related expenses.

658 Insurance.

This account will represent fire, theft, employee group life insurance, and other insurance expense, including fidelity bond, premiums and insurance on automobiles. The portion, if any, of employee group life insurance premiums withheld from salaries or received from employees will be reflected in account No. 378. Insurance premiums to be amortized will be charged to account No. 230.

659 Management services fees.

This account will represent the amount of charges made by outside firms or individuals for management services provided to licensee pursuant to management agreement approved by SBA.

660 Investment adviser costs.

This account will represent the amount of charges made by outside firms and individuals for furnishing consultation and advice to the company with respect to the desirability of investing in, purchasing, or selling loans, debt securities, and capital stock of small business concerns and other property.

661 Legal services.

This account will represent the cost of legal services rendered to the company.

663 Salaries.

This account will include the balances in subaccounts Nos. 663.1 and 663.2.

663.1 Salaries of officers.

This account will represent the salary cost of all officers of the company, including directors' salaries, if any, but not directors' fees for attendance at meetings.

663.2 Salaries of employees.

This account will represent the salary cost of all employees other than officers, includ-

ing salaries of any temporary or part-time employees engaged for specific assignments.

664 Taxes, excluding income taxes.

This account will represent the cost of all taxes, including those on corporate premises owned, motor vehicle, and personal property, social security taxes (company's portion), and other taxes charged to the company, exclusive of income taxes.

665 Travel.

This account will represent all travel expense, including transportation charges, automobile maintenance, operating expense, and depreciation expense, meals, lodging, telephone, telegraph, and other company costs incurred by officers and employees while in a travel status.

670 Employee benefits expense.

This account will represent the cost assumed by the company in contributing to funds providing for employee retirement benefits and other types of employee benefits, except group life insurance. The portion, if any, of the cost of employee benefits withheld from salaries or received from employees will be reflected in account No. 378.

672 Amortization of organization expense.

This account will represent the amount of legal fees, promotional expense, stock certificate costs, incorporation fees, taxes and other related costs incurred in organizing the company, which are charged to expense (this account) as incurred or are transferred to this account periodically through the amortization of organization costs established as an asset in account No. 266.

679 Miscellaneous operating expenses.

This account will represent the amount of operating expenses not specifically provided for in other accounts. There will be included expenses incurred in connection with dues, subscriptions, donations, and similar items; charges made to the company for custodial or safekeeping services in connection with its portfolio securities; and bank service charges, exchange on checks, protest fees, etc., and the cost of office supplies such as stationery, accounting forms, binders, pencils, etc.

680 Estimated losses on receivables.

This account will represent the amount of estimated losses applicable to the fiscal year on notes and accounts receivable, and interest receivable.

Debit:

(a) With amount of such estimated losses incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary).

700 Loss on U.S. Government securities.

This account will represent the amount of loss on the sale or other disposition of United States Government obligations, direct and fully guaranteed, carried in account No. 130-135.

Debit:

(a) With amount of loss on such securities sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 460 or 462).

(See account No. 570)

701 Loss on loans.

This account will represent the amount of loss on the sale or other disposition of loans of small business concerns carried in account No. 170.

Debit:

(a) With amount of loss on such loans written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary—account No. 461).

(See account No. 571)

702 Loss on debt securities.

This account will represent the amount of loss on the sale or other disposition of debt securities of small business concerns carried in accounts Nos. 180 and 184.

Debit:

(a) With amount of loss on such debt securities written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary—account No. 461).

(See account No. 572)

704 Loss on capital stock of SBCs.

This account will represent the amount of loss on sale or other disposition of capital stock of small business concerns carried in accounts Nos. 190 and 191.

Debit:

(a) With amount of loss on such capital stock written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461).

(See account No. 574)

705 Loss on equity interest of unincorporated concern.

This account will represent the amount of loss resulting from sale or other disposition of equity interests of unincorporated concerns carried in account No. 194.

Debit:

(a) With amount of loss on such equity interests sold, written off, or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461).

(See account No. 575)

706 Loss on warrants, options, and other stock rights acquired from SBCs.

This account will represent the amount of loss on the sale or other disposition of warrants, options, and other stock rights acquired from SBCs.

Debit:

(a) With amount of loss on such warrants, options, and other stock rights written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461).

(See accounts Nos. 197, 576, and memorandum record No. NA-10)

707 Loss on assets acquired in liquidation of portfolio securities.

This account will represent the amount of loss on the sale or other disposition of assets acquired in liquidation of portfolio securities of small business concerns carried in account No. 200, 204.

Debit:

(a) With amount of loss on such assets written down or sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461).

(See account No. 577)

708 Loss on Operating Concerns Acquired.

This account will represent the amount of loss on the sale or other disposition of investments in operating concerns acquired.

Debit:

(a) With amount of loss on such assets sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461) (See account No. 578)

709 *Loss on other assets.*

This account will represent the amount of loss on the sale or other disposition of assets not specifically provided for in other accounts.

Debit:

(a) With amount of loss on such assets sold or disposed of otherwise.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to account 461) (See account No. 579)

710 *Expense on assets acquired in liquidation of portfolio securities.*

This account will represent the amount of expense incurred on assets acquired in liquidation of portfolio securities, including the operation and depreciation of properties, carried in account No. 204. The account also will include the amount of interest expense accrued on mortgages payable on assets acquired in liquidation of portfolio securities.

Debit:

(a) With amount of such expense incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460)

Note: In instances when a liquidating agent is employed to supervise the disposition of the assets, appropriate subsidiary accounts should be maintained by the agent.

Cash collected from the sale of assets by the liquidating agent should be remitted immediately to the company. The company should maintain a local depository bank account, in which all receipts of the agent are deposited when direct remittances to the company are not feasible. Deposit balances in this account should be subject to withdrawal by check only by the company and should be reflected on the company's records in the same manner as other bank accounts.

Any advances to a liquidating agent for expenses incident to the operation of or in the disposition of assets acquired in the liquidation of loans and debt securities should be charged to account No. 230—Prepaid expenses.

715 *Other expenses.*

This account will represent the amount of nonoperating expenses not specifically provided for in other accounts, including, on the books of the "participating" company, the amount of compensation expense for financial services received from "initiating" companies in connection with participations purchased.

Debit:

(a) With amount of such expenses incurred.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—Account No. 460).

(See account No. 340)

720 *Income taxes—net income.*

This account will include the balances in subaccounts Nos. 720.1, 720.2, 720.3, etc.

720.1 *Federal income taxes—net income.*

This account will represent the amount of Federal income taxes applicable to net income for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460).

720.2 *State income taxes—net income.*

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to profit and loss summary—account No. 460).

(See subaccount Nos. 354.1 and 354.2)

722 *Income taxes—net realized gain on investments.*

This account will include the balances in subaccounts Nos. 722.1, 722.2, 722.3, etc.

722.1 *Federal income taxes—net realized gain on investments.*

This account will represent the amount of Federal income taxes applicable to net realized gain on investments for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary account 461 or 462).

(See subaccount No. 354.1)

722.2 *State income taxes—net realized gain on investments.*

This account will represent the amount of State income taxes applicable to net realized gain on investments for the current fiscal year.

Debit:

(a) With amount of such taxes accrued.

Credit:

(a) At the end of the fiscal year, with the balance of account (transfer to realized gain and loss summary account No. 461 or 462).

(See subaccount No. 354.2)

MEMORANDUM RECORDS

NOMINAL ASSETS

NA-10 *Stock purchase warrants or options on stock of SBCs.*

This record will show the company's ownership of detachable stock purchase warrants or options on stock of SBCs, retained after the accompanying financing instruments have been disposed of, for which no consideration was given distinct from that surrendered for such financing instruments and for which no separate cost has otherwise been determined.

Each such detachable stock purchase warrant or option certificate should be entered in this record, upon detachment, at a nominal value of one dollar (\$1.00). Upon sale of such a detached stock purchase warrant or option, upon exercise or expiration of rights conveyed by such a detached stock purchase warrant or option, or upon the determination of a cost to be recorded for such a detached stock purchase warrant or option, the entry establishing such certificate in the memorandum records is to be discharged through an equivalent credit.

Debit:

(a) With nominal value of such detachable stock purchase warrants or options upon their detachment from capital stock certificates or debt securities.

Credit:

(a) With nominal value of such detached stock purchase warrants or options upon exercise or expiration of rights conveyed by such warrant or option certificates.

(b) With nominal value of such detached stock purchase warrants or options sold or disposed of otherwise.

This account will represent the amount of State income taxes applicable to net income for the current fiscal year.

(c) With nominal value of such detached stock purchase warrants or options for which a separate cost has been established.

(See accounts Nos. 180, 190, and 197)

CONTINGENT LIABILITIES

CL-15 *Commitments outstanding.*

This record will show the amount of financing commitments made and outstanding to small business concerns, including commitments for loans and for the acquisition of small business concerns' capital stock and debt securities. This record also will show the amount of deferred participations. A deferred participation is defined as a commitment under a participation agreement whereby the "participating" company will make funds available on a deferred basis to the "initiating" company in connection with the latter's financing of, or commitment to finance, a small business concern, or in connection with an "initiating" small business investment company's acquisition of loans or equity securities from other such companies. When funds are advanced against commitments, appropriate entry will be made in this record.

CL-16 *Guarantees outstanding.*

This record will show the amount for which the company is contingently liable under guarantees issued to lending institutions in connection with obligations of portfolio concerns under notes, debentures, or other evidences of indebtedness, or short-term advances to such concerns.

CL-17 *Other contingent liabilities.*

This record will show the amount of miscellaneous contingent obligations not otherwise classified.

OPTIONS ON COMPANY STOCK

OCS-1 *Options on company's stock.*

This record will show details of outstanding options on the company's capital stock granted in lieu of salary or in payment for services actually rendered to the company. The following data will be included:

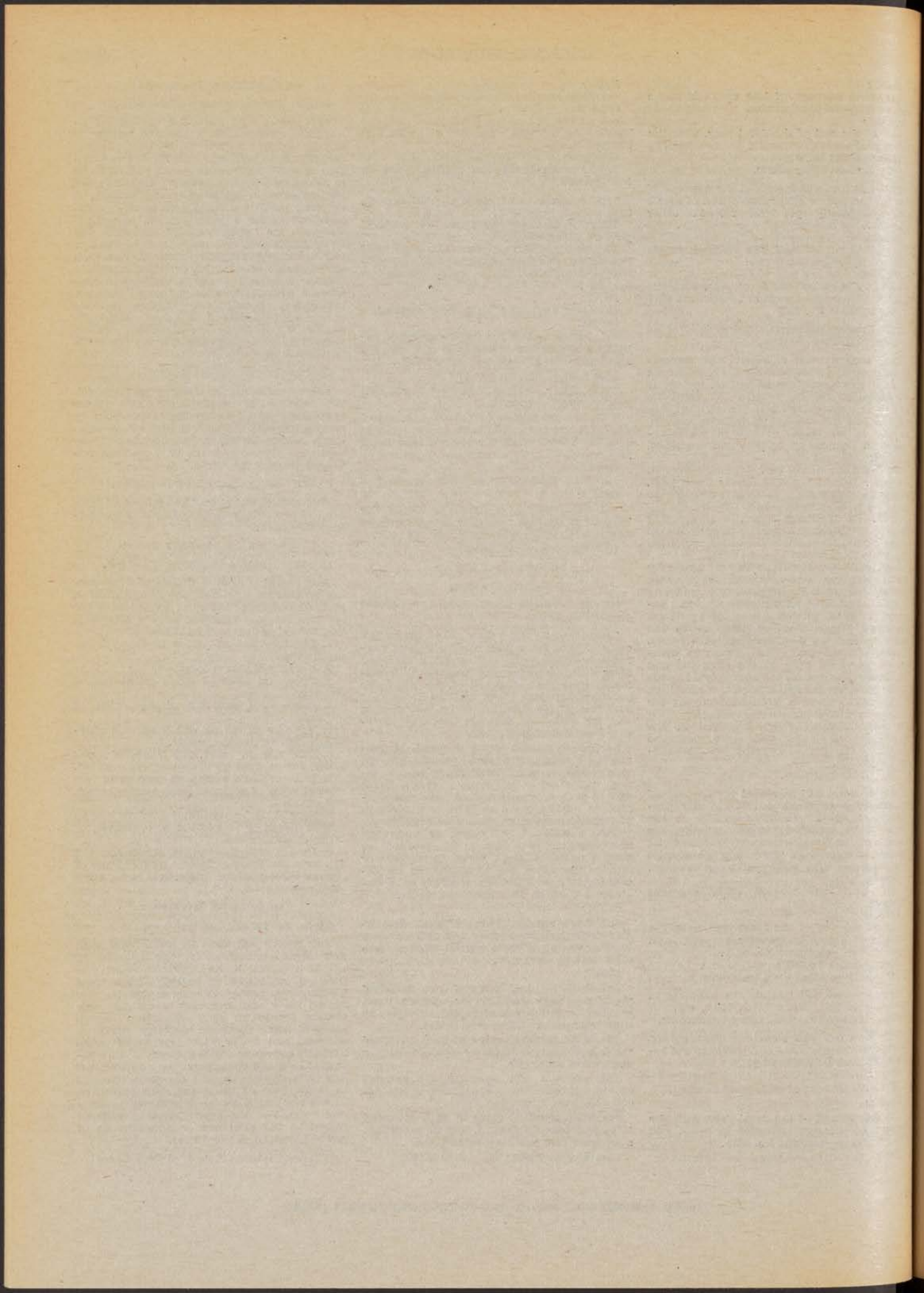
1. Identification of person or entity holding options.
2. Number of shares optioned.
3. Type and class of stock called for by options.
4. Dates of grant and of expiration of options.
5. Price or prices at which options exercisable, with dates they apply.
6. Fair market value, per share, of stock called for at date each option was granted.
7. Price of each option as percent of fair market value of optioned stock at date option was granted.
8. Provisions for termination of options in case of death or retirement of optionees, or other circumstances.
9. Details of authorization, shares reserved for, issuance, exercise, lapse, and forfeiture of options provided for under the company's stock option plan.

ACTUAL LOSS EXPERIENCE

AL-1 *Actual (realized) losses.*

This record will show for each fiscal year, and also accumulatively, the amount of actual (realized) losses incurred through disposition, writedown, or writeoff of loans and investments. Losses shall be stated in total for all loans and investments and also separately for loans; debt securities; capital stock of small business concerns; warrants, options, and other stock rights of small business concerns; assets acquired in liquidation of loan and debt securities; and amounts due from debtors on sale of assets acquired in liquidation of loans and debt securities. Losses realized shall be determined in relation to cost of the assets involved without regard to the existence or nonexistence of related allowances for losses.

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PART III



THE PRESIDENT

■

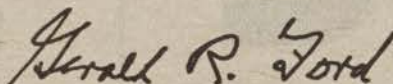
SPECIAL MESSAGE TO CONGRESS ON BUDGET DEFERRALS

Special Message on Budget Deferrals

To the Congress, of the United States:

I herewith report on additional deferrals for the fiscal year 1975, as required by the Congressional Budget and Impoundment Control Act of 1974. These deferral actions have been taken to reduce the inflationary effects of the Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act of 1975 (Pub. L. 93-393). When I approved the Act, I did so with the hope and expectation that the Congress would work in cooperation with the Executive Branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending.

The deferral actions reported today decrease the amount of budget authority which would otherwise be available in the fiscal year 1975 by nearly \$82 million and thereby keep Federal spending from rising nearly \$57 million above current estimates. If the Congress and the President are to keep Federal outlays for the fiscal year 1975 within \$300 billion, such measures as the ones reported here are essential.



THE WHITE HOUSE,
October 31, 1974.

SUMMARY OF DEFERRALS

(dollars in thousands)

Defer- ral #:	Item	Budget Authority
	Defense, Civil:	
	Corps of Engineers-Civil:	
D75-81	Construction, General.....	43,945
D75-82	Flood Control, Mississippi River and Tributaries.....	14,503
	Interior:	
	Bureau of Reclamation:	
D75-83	Loan Program.....	900
D75-84	Construction and Rehabilitation.....	17,955
	Colorado River Basin Project	
D75-85	(Lower Colorado River Basin Development Fund).....	2,525
	Upper Colorado River Storage Project	
D75-86	(Upper Colorado River Basin Fund).....	1,730
	Total.....	81,558

Deferral No.: D75-81

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Army Bureau Corps of Engineers, Civil Appropriation Title & Symbol Construction General, COE, Civil 96X3122	New budget authority	\$ 973,681,000
	(P.L. 93-393)	
	Other budgetary resources	105,825,692
	Total Budgetary Resources	1,079,506,692
	Amount to be deferred part of year	
	Amount to be deferred for entire year	43,945,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added that, after discussions with congressional leaders, he was signing this bill with the expectation that Congress would work in cooperation with the Executive Branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending.

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budget authority in FY 1975 for Corps of Engineers Civil Works activities is \$85,790,000 in excess of the budget. Of this excess amount \$43,945,000 has been withheld from obligation in this account to meet the anti-inflation goals of the Federal government. The remaining \$1,035,561,692 has been made available for obligation with the exception of \$108,000 which was the subject of a separate deferral report (D75-1).

This account was apportioned on September 27, 1974, to defer \$56,230,000. Subsequently, the account was reapportioned to revise the amount deferred to \$43,945,000.

Estimated Effects

The Corps outlays in FY 1975 will be reduced an estimated \$31,185,000 as a result of this deferral.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis. A list of projects to be affected by deferral action is attached.

Attachment

1 of 5

Corps of Engineers
Projects Affected
by Deferrals

Construction, General

Tennessee-Tombigbee Waterway,
Alabama and Mississippi

Snettisham, Alaska

McClellan-Kerr Arkansas
River Nav. System, Arkansas
and Oklahoma

Buchanan Dam-H.V. Eastman
Lake, California

Hidden Lake, California

San Diego Harbor, California

Sacramento River, Chico Landing
to Red Bluff, California

Four River Basins, Florida

West Point Lake, Georgia
and Florida

Kaneohe-Kailua Area, Hawaii

Mississippi R. between Ohio and
Missouri Rivers; Reregulating
Works, Illinois

Patoka Lake, Indiana

Uniontown Locks and Dam, Indiana
and Kentucky

Rathbun Lake, (Fish Hatchery),
Iowa

Hillsdale Lake, Kansas

Paintsville Lake, Kentucky

Red River Lake, Kentucky

Taylorsville Lake, Kentucky

Construction, General (Con'd)

Yatesville Lake, Kentucky

Atchafalaya River, Bayous
Chene, Boeuf and Black,
Louisiana

Overton-Red River Waterway
(lower 31 miles only)
Louisiana

Red River Waterway, Miss.
River to Shreveport, La.

Clarence Cannon Dam and Res., Missouri

Harry S. Truman Dam and Res., Missouri

Meramec Park Lake, Missouri

Libby Dam-Lake Koocanusa,
Montana

Papillion Creek and Tribs.,
Nebraska

Cochiti Lake, New Mexico

East River Spur Channel, New York

East Rockaway to Rockaway Inlet
and Jamaica Bay, New York(Part I)

Fire Island Inlet to Montauk Point, New York

New York Harbor (Anchorage), New York

B, Everett Jordan Dam and Lake, North Carolina

Falls Lake, North Carolina

Missouri River, Garrison Dam
to Lake Oahe, North Dakota

Copan Lake, Oklahoma

Skiatook Lake, Oklahoma

Applegate Lake, Oregon

Construction, General (Con'd)

Bonneville Lock and Dam (Second
Power Unit), Oregon and Washington

Scappoose Drainage District, Oregon

Presque Isle Peninsula, Pennsylvania

Raystown Lake, Pennsylvania

Tioga-Hammond Lakes, Pennsylvania

Cooper Lake and Channels, Texas

Corpus Christi Ship Channel, Texas

Lakeview Lake, Texas

San Gabriel River, Texas

Fourmile Run, City of
Alexandria and Arlington
County, Virginia

Wynochee Lake, (Fish Hatchery), Washington

La Farge Lake and Channel Improvement,
Wisconsin

Burnsville Lake, West Virginia

R.D. Bailey Lake, West Virginia

Recreation Facility Projects Completed

Construction, General(Con'd)

Indian Bend Wash, Arizona

Chester, North Fork of Feather
River, California

Cucamonga Creek, California

Panama City Harbor, Florida

Richard B. Russell (Trotters
Shoals) Dam and Lake,
Georgia and South Carolina

Kahului Harbor, Hawaii (Mitigation
of Shore Damages attributable to
Navigation Projects, Sec. 111)

Lahaina Small Boat Harbor, Hawaii

Columbia Drainage and Levee
District No. 3, Illinois

Big Pine Lake, Indiana

Marion, Kansas

Perry Lake Area (Road Improvement),
Kansas

Yazoo River, Belzoni Bridge
(Advance Participation), Miss.

Frazer-Wolf Point Bank
Stabilization, Montana

New York Harbor Collection and
Removal of Drift, New York

Chillicothe, Ohio

Mill Creek, Ohio

Beaver Drainage District, Oregon

Portugues and Bucana Rivers,
Puerto Rico

Construction, General (Con'd)

Cooper River, Charleston
Harbor, South Carolina

Sacred Heart Hospital, Emergency
Bank Stabilization, Yankton,
South Dakota

Aubrey Lake, Texas

Lower Monumental Lock and Dam
(Add'l Units), Washington

Coal River Basin, West Virginia

Deferral No.: D75-82DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Army	New budget authority	\$ 161,948,000
Bureau Corps of Engineers, Civil	(P.L. 93-393)	
Appropriation Title & Symbol Flood Control, Mississippi River and Tributaries, COE Civil 96X3112	Other budgetary resources	21,129,645
	Total Budgetary Resources	183,077,645
	Amount to be deferred part of year	
	Amount to be deferred for entire year	14,503,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budget authority in FY 1975 for Corps of Engineers Civil Works activities is \$85,790,000 in excess of the budget. Of this excess amount, \$14,503,000 has been withheld from obligation in this account to meet the anti-inflation goals of the Federal government. The remaining \$168,574,645 has been made available for obligation.

This account was apportioned on September 27, 1974, to defer \$19,336,000. Subsequently, the account was reapportioned to revise the amount deferred to \$14,503,000.

Estimated Effects

The Corps outlays in FY 1975 will be reduced an estimated \$10,877,000 as a result of this deferral.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Attachment

1 of 1

Corps of Engineers
Projects Affected
by Deferrals

Mississippi River and
Tributaries

Mississippi River Levees

Channel Improvement

Atchafalaya Basin, Louisiana

Bayou Cocodrie and Tributaries, Louisiana

Cache Basin, Arkansas

Lower Red River, South
Bank Levee, Louisiana

St. Francis Basin, Arkansas,
Missouri

Reelfoot Lake, No. 9,
Tennessee, Kentucky

Tensas Basin, Arkansas and Louisiana

Yazoo Basin, Mississippi

West Kentucky Tribs.,
Kentucky

West Tennessee Tribs., Tennessee

Deferral No.: D75-83

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority	\$ 13,825,000
Bureau Reclamation	(P.L. 93-393)	3,486,062
Appropriation Title & Symbol	Other budgetary resources	17,311,062
Loan Program 14X0667	Total Budgetary Resources	
	Amount to be deferred part of year	
	Amount to be deferred for entire year	900,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the Executive Branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of public works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$17,311,062, including \$1,800,000 in excess of the budget. Of this amount, \$900,000 has been withheld from obligation to meet the anti-inflation goals of the Federal government. The remaining \$16,411,062 has been made available for obligation.

Estimated Effects

The \$900,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$585,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

DEFERRAL OF BUDGET AUTHORITY

Estimated Effects (Con'd)

Availability of 1975 appropriations to projects is as follows:

- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Bureau of Reclamation Projects
affected by deferrals

Loan Program

Central Nebraska Public Power & Irrigation District

La Branza Water District, California

Deferral No.: D75-84

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority (P.L. 93-393)	\$ 244,123,000
Bureau Reclamation	Other budgetary resources	9,799,985
Appropriation Title & Symbol Construction and Rehabilitation 14X5061	Total Budgetary Resources	253,922,985
	Amount to be deferred part of year	
	Amount to be deferred for entire year	17,955,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$253,922,985 including \$31,789,000 in excess of the budget. Of this amount \$17,955,000 has been withheld from obligations to meet the anti-inflation goals of the Federal government. An additional \$1,055,000 has been deferred under a separate deferral report (D75-14). Presently \$234,937,985 is available for obligation in this account.

This account was apportioned on September 27, 1974, to defer \$23,670,000. Subsequently, the account was reapportioned to revise the amount deferred to \$17,955,000.

Estimated Effects

The \$17,955,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$11,950,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Attachment 1

Bureau of Reclamation Projects
affected by deferralsConstruction and Rehabilitation

Brantley, New Mexico

Central Valley Project, California
Sacramento River Division
San Luis Unit
Auburn South Unit
Miscellaneous Central Valley ProgramsCentral Valley Project, California
San Felipe Division

Chief Joseph Dam, Foster Creek Division, Washington

Columbia Basin Irrigation Facilities, Washington

Columbia Basin, Bacon Siphon & Tunnel #2, Washington

Columbia Basin, Grand Coulee Dam, third Powerplant,
Washington

Fryingpan Arkansas, Colorado

Pick Sloan Missouri Basin
Garrison Diversion Unit, North Dakota
Oahe Project, South Dakota
Narrows Unit, Colorado

Teton Basin - Lower Teton Division, Idaho

Tualatin Project, Oregon

Tumulo Irrigation District, Oregon

Deferral No.: D75-85

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency	
Department of the Interior	New budget authority \$ 23,000,000
Bureau	(P.L. 93-393)
Reclamation	Other budgetary resources 24,102,579
Appropriation Title & Symbol	Total Budgetary Resources 47,102,579
Colorado River Basin Project	
(Lower Colorado River Basin	
Development Fund) 14X4079	Amount to be deferred
	part of year
	Amount to be deferred
	for entire year 2,525,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$47,102,579, including \$5,050,000 in excess of the budget. Of this amount, \$2,525,000 has been withheld to meet the anti-inflation goals of the Federal government. The remaining \$44,577,579 of budgetary resources has been made available for obligation.

The account was apportioned on September 27, 1974 to defer \$4,380,000. Subsequently, the account was reapportioned to revise the amount deferred to \$2,525,000.

Estimated Effects

The \$2,525,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$1,610,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts - all but one-half of the increase is available for obligation in FY 1975.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Bureau of Reclamation Projects
affected by deferrals

Colorado River Basin Project

Central Arizona Project, Arizona

Deferral No.: D75-86

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency		
Department of the Interior	New budget authority	\$ 24,621,000
Bureau	(P.L. 93-393)	
Reclamation	Other budgetary resources	50,849,008
Appropriation Title & Symbol		
Upper Colorado River Storage Project	Total Budgetary Resources	75,470,008
(Upper Colorado River Basin Fund, 14X4081; and Recreational and Fish and Wildlife Facilities 14X0682)	Amount to be deferred part of year	
	Amount to be deferred for entire year	1,730,000

Justification

The Public Works Appropriation Act of 1975 (P.L. 93-393) was signed into law on August 28, 1974. In the signing statement that accompanied the Act, the President noted that use of all the funds appropriated by the Congress in its action on the Public Works Appropriation Bill (H.R. 15155) would increase outlays in fiscal year 1975 by \$80 million and added:

"After discussions with Congressional leaders, I have therefore decided to sign this bill with the hope and expectation that under the budget act, the Congress will work in cooperation with the executive branch to defer for one full year the expenditure of that amount of appropriated funds which would contribute excessively to inflationary government spending."

Though this deferral does not, by itself constitute an action sufficient to deter inflation, it is one of a number of actions, including a group of Public Works deferrals that, taken together, are necessary to restrain near term Federal spending to achieve an anti-inflationary fiscal posture.

The total budgetary resources for this account in 1975 is \$75,470,008. Of these totals available for 1975, \$1,730,000 has been withheld from obligations to meet anti-inflation goals of the Federal government. An additional \$1,150,000 was the subject of a separate deferral report (D75-15). The remaining budget authority has been made available for obligation.

This account was apportioned on September 27, 1974, to defer \$3,153,850. Subsequently, the account was reapportioned to revise the amount deferred to \$1,730,000.

Estimated Effects

The \$1,730,000 to be deferred will result in a reduction in the amount of outlays in fiscal year 1975 of \$710,000.

The deferral will delay some project completions and delay the realization of benefits. In addition to changes in value levels of both costs and benefits that would take place in the deferral period, there may be some effect on construction efficiency.

Availability of 1975 appropriations to projects is as follows:

- The full amount of funds appropriated for planning projects has been made available.
- Projects for which the budgeted amount or less was cited in the report of the appropriations conference committee - the full amount is available for obligation in FY 1975.
- Projects for which more than the budgeted amount was cited in the conference report, including new construction starts all but one half of the increase is available for obligation in FY 1975.
- Projects for which all prior year funds had been deferred in earlier actions - none of the additional unbudgeted construction funds have been made available pending the completion of programed review.

Amounts deferred equal one-half of the amount added over budget by the appropriations process on a project by project basis.

A list of projects to be affected by deferral action is attached.

Attachment 1

Bureau of Reclamation Projects
affected by deferralsUpper Colorado River Basin Fund

Bonneville Unit, Utah

Dallas Creek Project, Colorado

Fruitland Mesa, Colorado

Jensen Unit, Utah

Savery Pot-Hook, Colorado/Wyoming

Bureau of Reclamation Projects
affected by deferrals

Construction of Recreational and Fish and Wildlife Facilities

Central Utah Project, Bonneville Unit, Utah

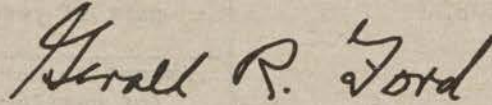
Flaming Gorge Unit, Utah/Wyoming

Special Message on Budget Deferrals

To the Congress of the United States:

In accordance with the provisions of Title X of the Congressional Budget and Impoundment Control Act of 1974 (Pub. L. 93-344), I am reporting the deferral of funds appropriated to carry out the Family Practice of Medicine Act (S. 3418, Ninety-First Congress).

The details of the deferral are contained in the attached report.



THE WHITE HOUSE,
October 31, 1974.

Deferral No. : D75-87

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Sec. 1013 of P.L. 93-344

Agency Department of Health, Education, and Welfare Bureau Human Resources Administration	New budget authority (P.L. _____)	\$ _____
	Other budgetary resources	100,000
Appropriation Title & Symbol	Total Budgetary Resources	100,000
Health Manpower 753/40812 75X0812	Amount to be deferred part of year	100,000
	Amount to be deferred for entire year	-0-

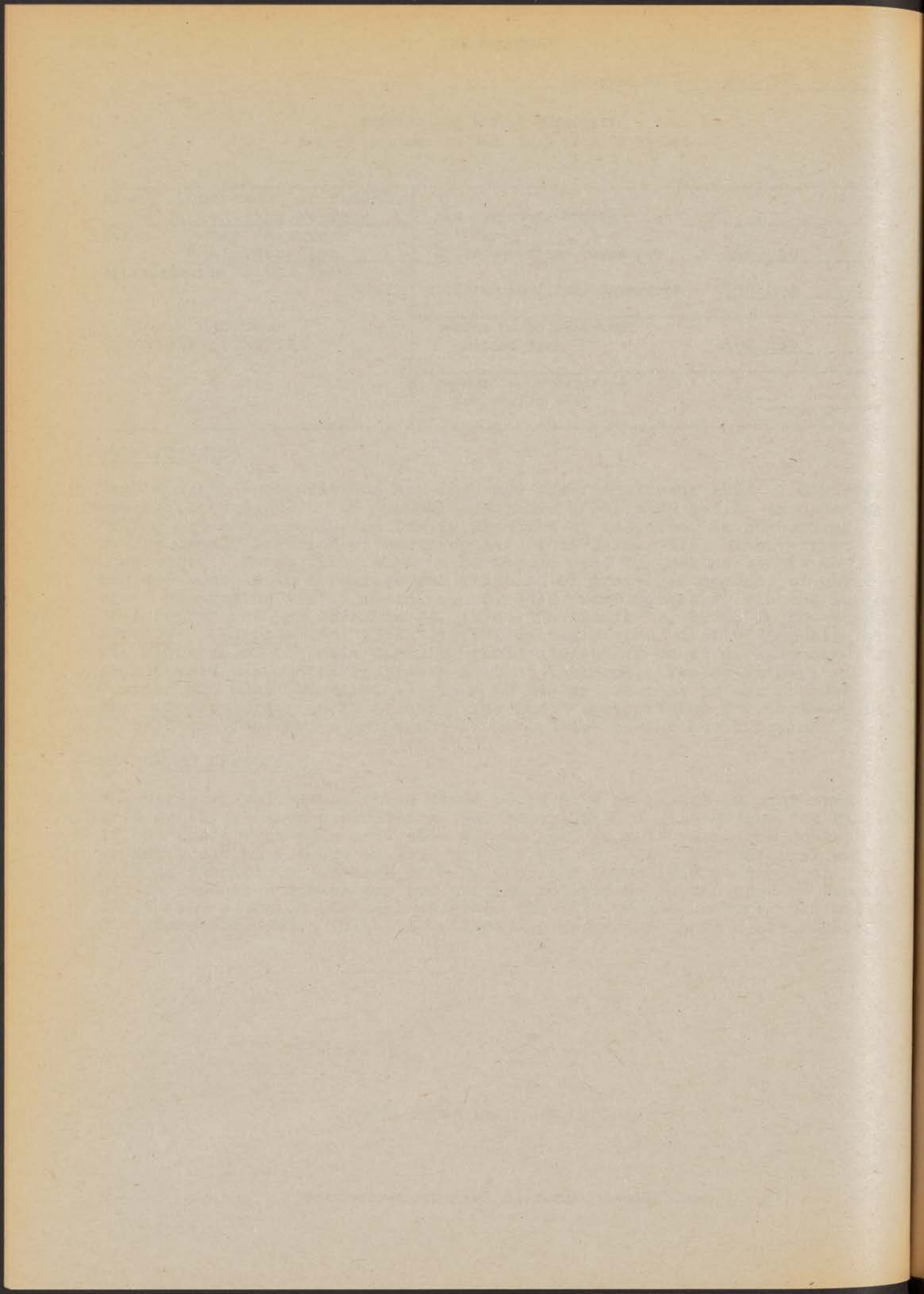
JUSTIFICATION

Supplemental Appropriation Act language for fiscal year 1973 (P.L.93-50) appropriated \$100,000 to "remain available until expended," in order to "carry out programs in the family practice of medicine, as authorized by the Family Practice of Medicine Act of 1970 (S. 3418, Ninety-first Congress)." These funds were to have been used for making grants to medical schools to encourage the training of increased numbers of physicians practicing family medicine. S. 3418 (91st Congress) was the subject of a pocket veto on December 24, 1970. On August 13, 1974, in the case of Kennedy v. Sampson (No. 73-2121), the United States Court of Appeals for the District of Columbia Circuit upheld a District Court decision that the pocket veto was unconstitutional in that instance. The Department of Justice has until November 13, 1974, to decide whether or not to seek a writ of certiorari in this case. The funds appropriated for implementing S. 3418 are deferred pending the final outcome of the court action.

ESTIMATED EFFECTS

The delay in obligating these funds would have no impact on projected 1975 outlays, since the deferral was anticipated in the Budget for FY 1975. If the funds were made available for obligation this year, the outlay impact would be \$25,000 in 1975 and \$75,000 in 1976. The deferral would have no significant adverse effects upon the objectives or scope of Health Resources Administration program activities in the area of supporting family practice residencies since the 1975 budget requests \$15 million for these purposes. This \$15 million was requested under Health Manpower.

[FR Doc.74-26029 Filed 11-4-74;11:25 am]



NOTICE TO FEDERAL REGISTER READERS

As part of its continuing program to improve the quality of the daily FEDERAL REGISTER and CODE OF FEDERAL REGULATIONS, the Office of the Federal Register is soliciting the views of interested persons on the effectiveness of individual Federal Register documents and on regulations contained in the CODE OF FEDERAL REGULATIONS.

Our goal is twofold:

First—to make each document published in the FEDERAL REGISTER easily understandable, thus making compliance easier, more efficient, and less costly; and

Second—to identify and correct any existing Federal regulations which are obsolete, unnecessarily wordy, or unclearly stated.

We believe this effort is consistent with the objectives stated by President Ford in his October 8th speech on the economy in which he announced "a joint effort by the Congress, the executive branch and the private sector to identify and eliminate existing Federal rules and regulations that increase costs to the consumer without any good reason in today's economic climate."

The Office of the Federal Register welcomes your comments and suggestions. The survey blank below is provided for that purpose. All comments received will be maintained in a public docket and will be available for inspection in the Office of the Federal Register to any interested persons or agencies. Comments which point out the need for substantive changes in existing regulations also will be forwarded to the responsible agency.

I. For the following reasons I found it difficult to understand the document from _____ in column _____, page _____ of the _____ issue of the _____
(agency) (date)

FEDERAL REGISTER:

- ☐ only technical language was used; ☐ document contained long and difficult sentences;
☐ preamble did not contain a clear and concise explanation of the document's purpose;
☐ other (explain) _____

II. I believe that the requirement(s) contained in:

A. The document from _____ in column _____, page _____ of the _____
(agency) issue of the FEDERAL REGISTER, or
(date)

B. Section(s) _____ of Title _____ of the CODE OF FEDERAL REGULATIONS
impose(s) an: ☐ unnecessary; ☐ unreasonable; ☐ impractical; or ☐ obsolete
requirement on those persons subject to that regulation.

My reasons are: _____

III. (Optional) I suggest that the provision(s) mentioned above be rewritten as follows: _____

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